

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

CASE NO. 12-24051 (07)
COMPLEX LITIGATION UNIT

MATTHEW CARONE, as Trustee for the Carone Marital Trust #2 UTD 1/26/00, Carone Gallery, Inc. Pension Trust, Carone Family Trust, Carone Marital Trust #1 UTD 1/26/00 and Matthew D. Carone Revocable Trust, JAMES JORDAN, as Trustee for the James A. Jordan Living Trust, ELAINE ZIFFER, an individual, and FESTUS AND HELEN STACY FOUNDATION, INC., a Florida corporation,

Plaintiffs,

v.

MICHAEL D. SULLIVAN, individually,

Defendants.

MOTION FOR ORDER TO SHOW CAUSE

Berger Singerman LLP ("Berger Singerman"), moves this Court for an order to show cause why Defendant Michael D. Sullivan ("Sullivan") should not be held in civil contempt for again intentionally violating this Court's August 29, 2012 Agreed Order (the "Agreed Order"). This is the second motion for contempt filed against Sullivan due to his willful violation of the Agreed Order. And Sullivan is the subject of a separate motion for contempt for his willful violation of this Court's Order Appointing Conservator dated January 17, 2013. Only holding Sullivan in contempt will stop his disregard for this Court's authority. In support of this motion, Berger Singerman states:

STATEMENT OF FACTS

This Court entered an Agreed Order by and between the Plaintiffs and Sullivan dated August 29, 2012. A copy of the Court's Order dated August 29, 2012 is attached hereto as **Exhibit 1**. Pursuant to the Order, *inter alia*, Sullivan resigned as Managing General Partner of P&S Associates, General Partnership ("P&S") and S&P Associates, General Partnership ("S&P") (collectively the "Partnerships") and Margaret J. Smith ("Smith") was deemed in his stead to be sole Managing General Partner of both Partnerships. Furthermore, Sullivan agreed that "he does not now and will not in the future challenge the appointment of Ms. Smith as Managing General Partner on August 17, 2012." See Exhibit 1, ¶ 5.

He is now doing exactly that.

On April 1, 2013, the Conservator of the Partnerships filed a Conservator's Fee Report (the "Report") whereby he made recommendations regarding reimbursement to certain parties for fees and costs incurred by them on behalf of the Partnerships, as permitted by this Court's Order Appointing Conservator dated January 17, 2013.

In response to the Report, Sullivan filed an "Oppositioin [sic] Response and Objection to Conservator Report" wherein he challenges the appointment of Smith in violation of the Agreed Order. Attached hereto as **Exhibit 2** is a true and correct copy of the Oppositioin Response and Objection to Conservator Report. By that filing, he argues, among other things, that Smith was not the Managing General Partner of the Partnerships (See Exhibit 2 ¶¶ 3-8) -- even though Smith was elected and appointed Managing General Partner of the Partnerships on August 17, 2012, and even though Sullivan agreed as part of the Agreed Order that Smith would be deemed the Managing General Partner of the Partnerships.

This is the second time that Sullivan is acting in violation of this Court's Agreed Order. As set forth in a prior motion for order to show cause, Sullivan conspired with others to replace Smith as Managing General Partner of S&P – despite this Court's Agreed Order. A copy of that Motion for Order to Show Cause is attached hereto as **Exhibit 3**. A copy of the Affidavit of Steven Marinaro is attached as **Exhibit 4**.

Specifically, on December 12, 2012, Steven Jacob electronically transmitted a November 24, 2012 letter, "Notice of a Special Meeting of the Partners of S&P Associates", and a Proxy to Cindy Wallick, a partner in S&P. *See* Exhibit B to Exhibit 2. By those documents, a meeting of S&P's partners was to occur on December 17, 2012, at the offices of Becker Poliakoff, one day prior to this Court's hearing on Plaintiff's motion to appoint a receiver for the Partnerships. The alleged purpose of this meeting was to, *inter alia*, (i) confirm that Smith was never properly elected as Managing General Partner, (ii) to confirm that Sullivan was never properly removed as Managing General Partner, and, finally, (iii) elect a co-conspirator of Sullivan, Steven F. Jacob, as Managing General Partner of S&P.

While the November 24, 2012 letter purports to be only from Jacob, an examination of the metadata belonging to the "Notice of a Special Meeting of the Partners of S&P Associates" and Proxy reveals that those documents actually originated from Michael D. Sullivan & Associates – Sullivan's firm. *See* Exhibit C to Exhibit 3.

The only purpose of those documents was to challenge Smith's appointment as Managing General Partner and replace her with one of Sullivan's cronies, which was a clear violation of the Agreed Order.

Finally, Sullivan is the subject of yet another motion for contempt related to this action that was filed by the Conservator. On April 10, 2013, the Conservator of the Partnerships filed a

motion for contempt against Sullivan due to Sullivan's refusal to turn over information related to the Partnerships, despite this Court's Order Appointing Conservator dated January 17, 2013. Attached hereto as **Exhibit 5** is the Conservator's Motion for Contempt and to Compel Turnover of Partnerships' Books, Records and Electronically Stored Information. That motion was supplemented on April 24, 2013. Attached hereto as **Exhibit 6** is the Conservator's Supplement to Motion for Contempt and to Compel Turnover of Partnerships' Books, Records and Electronically Stored Information.

Accordingly, Sullivan's actions indicate a pattern of blatant disregard for this Court's authority, and as set forth below, he should be held in civil contempt.

I. SULLIVAN SHOULD BE HELD IN CIVIL CONTEMPT FOR INTENTIONALLY VIOLATING THIS COURT'S AGREED ORDER DATED AUGUST 29, 2012.

"Civil contempt consists of failing to do something ordered to be done by a court or judge for the benefit of the opposing party." *Parsons v. Wennet*, 625 So. 2d 945, 947 (Fla. 4th DCA 1993). The Florida Supreme Court has stated that civil contempt is proper "where the contempt consists of the failure to perform an act or duty that is within the power of the offender to perform." *Contella v. Contella*, 557 So. 2d 880, 883 (Fla. 5th DCA 1990) (citing *Bowen v. Bowen*, 471 So.2d 1274 (Fla.1985)). "[T]o be a valid civil contempt sanction the contempt order must include a purge provision." *Parisi v. Broward County*, 769 So. 2d 359, 365 (Fla. 2000).

Sullivan should be held in civil contempt because his latest papers demonstrate that he is continuing to challenge Smith's appointment as Managing General Partner -- in violation of this Court's Agreed Order. Smith was appointed Managing General Partner on August 17, 2012. Under the Agreed Order, it was explicitly ordered that Sullivan will not "challenge the appointment of Ms. Smith as Managing General Partner." See Exhibit 1, ¶ 5. In his latest "Oppositioin [sic] Response and Objection to Conservator Report," and despite that he agreed

that Smith would be deemed the Managing General Partner of the Partnerships, he now argues that she was never properly the Managing General Partner. Such an argument challenges Smith's appointment as Managing General Partner. It is prohibited by this Court's Agreed Order. Accordingly, Sullivan should be found in civil contempt.

WHEREFORE, Plaintiffs request that this Court enter an Order to show cause why Sullivan should not be held in civil contempt for failing to abide by this Court's August 29, 2012 Agreed Order, and for any and all other further relief as the Court deems just and proper.

Respectfully Submitted,

BERGER SINGERMANN
Attorneys for Plaintiffs
350 East Las Olas Blvd, Suite 1000
Fort Lauderdale, FL 33301
Telephone: (954) 525-9900
Facsimile: (954) 523-2872

By: s/Leonard K. Samuels
Leonard K. Samuels
Florida Bar No. 501610
Etan Mark
Florida Bar No. 720852

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this on this 9th day of May, 2013, a true and correct copy of the foregoing was sent via U.S. Mail and/or Electronic Mail to

Burt Moss, 1675 N. Military Trail, Suite 570, Boca Raton, FL 33486;
Scott Holloway, 55 Cayuga Road, Sea Ranch Lakes, FL 33308;
Steven Jacob, 3696 North Federal Highway, Fort Lauderdale, FL 33308;
Paroquia de Santa Luzia, c/o Fr. John Fitzpatrick, 1133 Broadway, Millbrae, CA 94030;
Mary V. Dunham, 1002 Gramerly Lane, Orlando, FL 32821;
Joseph A. Speizio, 39 Woodlot Road, Ridge, NY 11961;
Chad P. Pugatch, Esq., cpugatch@rprslaw.com;
Erika D. Rothart, Esq., edrothart@dralwfirm.com;
William G. Salim, Jr., Esq., wsalim@mmsslaw.com; cleibovitz@mmsslaw.com;
Gary C. Rosen, Esq., grosen@becker-poliakoff.com;
Domenica L. Frasca, Esq., dfrasca@mayersohnlaw.com;
Peter Smith, Esq. and Helen D. Chaitman, Esq., Becker & Poliakoff, LLP, 45 Broadway, 8th Floor, New York, NY 10006;
Philip J. von Kahle, philipvonkahle@moecker.com;
Brett D. Lieberman, Esq., blieberman@messana-law.com;
Helen Chaitman, Esq., Becker & Poliakoff, LLP, 45 Broadway, 8th Floor, New York, New York 10006;
Frank C. Walker, Stuart & Walker, P.A., 1301 East Broward Boulevard, Suite 220, Fort Lauderdale, FL 33301;
Chad Pugatch, Esq., Rice Pugatch Robinson & Schiller, 101 NE 3rd Ave., Ste. 1800, Fort Lauderdale, Florida 33301;
Michael D. Sullivan 6550 N. Federal Highway, Ste. 210, Fort Lauderdale, Florida 33308
Michael Sullivan, 3696 North Federal Highway, Fort Lauderdale, FL 33308

By: s/ Leonard K. Samuels
Leonard K. Samuels

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

CASE NO. 12-24051 1071
COMPLEX LITIGATION UNIT

MATTHEW CARONE, as Trustee for the Carone Marital Trust #2 UTD 1/26/00, Carone Gallery, Inc. Pension Trust, Carone Family Trust, Carone Marital Trust #1 UTD 1/26/00 and Matthew D. Carone Revocable Trust, JAMES JORDAN, as Trustee for the James A. Jordan Living Trust, ELAINE ZIFFER, an individual, and FESTUS AND HELEN STACY FOUNDATION, INC., a Florida corporation,

Plaintiffs,

v.

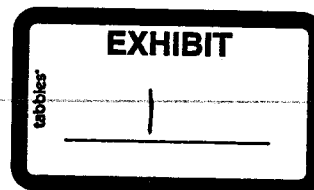
MICHAEL D. SULLIVAN, individually,

Defendant.

**AGREED ORDER RESOLVING PLAINTIFFS'
EMERGENCY MOTION FOR TEMPORARY INJUNCTION**

THIS CAUSE came before the Court on Plaintiffs' Emergency Motion for Temporary Injunction, and this Court having been advised of an agreement between the parties and being otherwise duly advised in the premises, it is hereby ORDERED that:

1. This Order implements the agreement of the Parties and is entered on an agreed basis. Plaintiffs' Emergency Motion for Temporary Injunction is resolved as provided herein.
2. Defendant Michael D. Sullivan ("Defendant") shall resign as Managing General Partner of both P&S Associates, General Partnership ("P&S") and S&P Associates, General Partnership ("S&P") (together with P&S, the "Partnerships"), and consents to the appointment of Margaret J. Smith ("Ms. Smith") as Managing General Partner in his



stead. Plaintiffs' agreement to allow Defendant to resign is not a waiver of any positions asserted in this action.

3. Ms. Smith is deemed the Managing General Partner of the Partnerships effective upon entry of this Order and will remain as such unless and until she withdraws from her role as Managing General Partner, or is removed consistent with the terms of the Partnership Agreements.
4. As Managing General Partner, Ms. Smith will be given full access to all of the Partnerships' books, records, assets and property and will be afforded all of the rights and duties of a Managing General Partner, including but not limited to those contemplated by Article 8.02 of each of the Partnerships' respective Partnership Agreements.
5. Defendant does not now and will not in the future challenge the appointment of Ms. Smith as Managing General Partner on August 17, 2012. Defendant agrees that he is no longer authorized to act in any capacity as Managing General Partner of the Partnerships, and is to direct all Partnership business to Ms. Smith. In so consenting to his withdrawal as Managing General Partner, Defendant reserves all other rights and defenses, and such consent to Ms. Smith's appointment shall not be deemed or considered an admission of liability either on his own behalf or on behalf of any of his employees, affiliates, assigns or agents.
6. The Parties further reserve all rights with respect to the action styled *P&S Associates, et al. v. Roberta Alves, et al.*, Case No. 2012CA013587, currently pending in the Circuit Court of the 15th Judicial Circuit in and for Palm Beach County (the "Interpleader Case"). Defendant may not act as representative or Managing General Partner of the Partnerships with respect to that action. However, the Parties specifically agree, as a condition of the

relief provided herein, that the Interpleader Case will not be unilaterally dismissed by Ms. Smith in her capacity as the Managing General Partner of the Partnerships. Without prejudice to the rights of the Managing General Partner pursuant to paragraphs 7.05 and 8.02 of the Partnership Agreements, it is the intent of the Parties that the Interpleader Action provide the basis for the methodology used to determine how distributions will be made to partners, *i.e.*, without limitation, based on the amount in the partner's capital account (last statement balance), in the amount of the net investment of the account holder over the life of the account, or based on other equitable principles. Plaintiffs reserve all defenses to the Interpleader Action, and do not, by virtue of this Order, concede that venue in Palm Beach County is appropriate.

7. On or before September 5, 2012, Defendant shall provide to Ms. Smith all books and records not previously provided to Plaintiffs or their representatives, including electronic records of the Partnerships. Subject to Defendant's right to raise any written objection under the Florida Rules of Civil Procedure, Defendant shall provide the books and records of JS&P Associates, General Partnership, and SPJ Investments, Ltd. Defendant has represented that he does not have custody, possession or control of the books or records, electronic or otherwise, of Guardian Angel Trust, LLC. Defendant further agrees to use his best efforts to insure an efficient, orderly and smooth transition from his role as Managing General Partner to Ms. Smith's role as Managing General Partner.
8. This case is hereby stayed pending further order of the Court, but for a period of not less than 60 days, without prejudice to the rights of any parties to this action. This stay will be lifted upon a motion by either party.

9. This Order is binding on all Parties, including Ms. Smith, who is not a named party but has submitted herself to the jurisdiction of this Court by accepting the appointment as Managing General Partner as provided in paragraph 3 above.

10. Defendant, by agreeing to the terms of this Order specifically denies and does not admit any liability or wrongdoing and nothing in this Order shall constitute any finding of liability or wrongdoing either by Defendant or any of his employees, affiliates, assigns or agents. It is Defendant's position that he has agreed to the relief herein to preserve the resources of the Partnerships.

DONE AND ORDERED in Chambers in Broward County, Ft. Lauderdale, Florida, on this _____ day of August, 2012.

JEFFREY E. STREIFELD

AUG 29 2012

JEFFREY E. STREITFELD
CIRCUIT COURT JUDGE

A TRUE COPY

Copies furnished to:

All Counsel of Record

IN THE CIRCUIT COURT OF THE
17TH JUDICIAL CIRCUIT IN AND FOR
BROWARD COUNTY, FLORIDA

CASE NO. 12-24051 (07)
COMPLEX LITIGATION UNIT

MATTHEW CARONE, as Trustee for the Carone
Marital Trust #2 UTD 1/26/00, et al.,

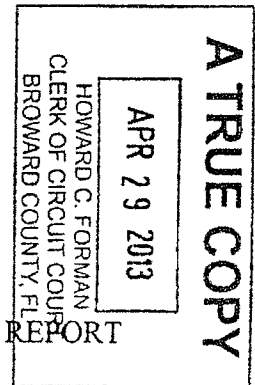
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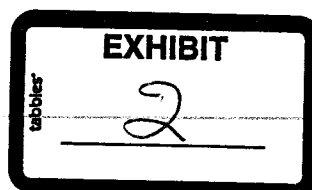
Defendant.

_____ /



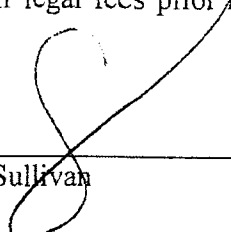
OPPOSITION RESPONSE AND OBJECTION TO CONSERVATOR REPORT

1. My name is Michael Sullivan. I am a defendant named in the above entitled action as well as a partner in S&P Partnership and P&S Partnership.
2. I file this objection in furtherance of the objections filed by Steven Jacobs on April 18, 2013 and the objection filed by Burt Moss on April 22, 2013 with respect to the Conservator's Fee report. My objections are based upon the following:
3. The matter originates from the initial filing of a complaint against me by a number of minority partners and the entry of an agreed upon order. I have attached that order as exhibit A. Their attorneys are Berger Singerman.
4. As part of that order, I agreed to resign as the managing partner for S&P Partnership ("S&P") and P&S Partnership ("P&S") and also agreed to Margaret Smith succeeding me as managing general partner.
5. However, prior to agreeing the entry of the order, I did not review the partnership agreements both for S&P and P&S, which I have attached to my opposition. They are marked as Exhibit B and C.



6. Specifically, paragraph 8.06 of the S&P partnership agreement requires the affirmative vote of 51% in interest in order to remove a managing general partner and further requires the same percentage in order to appoint a successor managing general partner.
7. Therefore, based upon the agreement, I did not have the authority to authorize Margaret Smith's appointment as successor managing general partner; The P&S partnership agreement contains the same language.
8. Based upon the partnership agreements, Margaret Smith did not have the authority to engage the services of either Glass Ratner or Berger Singerman.
9. In addition, as the caption makes clear, Glass Ratner and Berger Singerman represent the interest of the minority partners and do not represent the interest of the partnership.
10. Consequently, to permit the payment of fees to Glass Ratner and Berger Singerman would in effect sanction the payment of the minority partners legal and expert fees, thereby allowing the minority partners to play with "house" money, rather than sticking to the long standing practice of having each side bear their own cost of litigation.
11. There is no provision in either partnership agreement for the payment of legal fees. In fact, Paragraph 8.03 prohibits a partner without first obtaining the permission of the managing general partner or all the other partners to act on behalf of the partnership in executing an agreement.
12. In addition to bring this instant action, Margaret Smith engaged Berger Singerman to commence a second action on behalf of the partnership without notice to any of the partners.
13. This was done so despite there being inherent conflicts of interest on the part of Berger Singerman and Glass Ratner, who clearly represent the minority partners.

14. In conclusion, it would be unfair to permit any fees on behalf of Berger Singerman or Glass Ratner since they, in fact, represent the interest of the minority partners and not the partnership, and further have acted without authority under the partnership agreement.
15. If the court allows the payment of these fees it would create an unlevel playing field by providing the minority partners with payment of their legal fees prior having all of the claims and defenses.



Michael Sullivan

Copies furnished to:
Thomas M. Messana, Esq. Berger Singerman and all interested parties.

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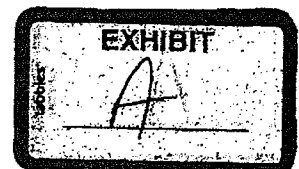
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stead. Plaintiffs' agreement to allow Defendant to resign is not a waiver of any positions asserted in this action.

3. Ms. Smith is deemed the Managing General Partner of the Partnerships effective upon entry of this Order and will remain as such unless and until she withdraws from her role as Managing General Partner, or is removed consistent with the terms of the Partnership Agreements.
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5. Defendant does not now and will not in the future challenge the appointment of Ms. Smith as Managing General Partner on August 17, 2012. Defendant agrees that he is no longer authorized to act in any capacity as Managing General Partner of the Partnerships, and is to direct all Partnership business to Ms. Smith. In so consenting to his withdrawal as Managing General Partner, Defendant reserves all other rights and defenses, and such consent to Ms. Smith's appointment shall not be deemed or considered an admission of liability either on his own behalf or on behalf of any of his employees, affiliates, assigns or agents.
6. The Parties further reserve all rights with respect to the action styled *P&S Associates, et al. v. Roberta Alves, et al.*, Case No. 2012CA013587, currently pending in the Circuit Court of the 15th Judicial Circuit in and for Palm Beach County (the "Interpleader Case"). Defendant may not act as representative or Managing General Partner of the Partnerships with respect to that action. However, the Parties specifically agree, as a condition of the

**AMENDED AND RESTATED
PARTNERSHIP AGREEMENT**

This AMENDED & RESTATED Partnership 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 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 PARTNERS AGREE AS FOLLOWS:

Background

The Partners 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 partnership 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 business of the partnership shall be conducted under the name S & 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

1.02 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.

ARTICLE TWO

PURPOSE OF THE PARTNERSHIP

By Consent of Partners

2.01 The Partnership 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 Partnership 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 of 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 or 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 metal, 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 FIFTY-ONE PERCENT (51%) IN INTEREST, NOT IN NUMBERS, OF THE PARTNERS, to have discretionary investment powers with the 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 Partner 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 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 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.

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 contribution:

- a. 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

5.01 The capital gains, capital losses, dividends, interest, margin interest expense, and all other profits and losses attributable to the Partnership shall be allocated among the Partners IN THE RATIO EACH 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 AS FOLLOWS: TWENTY PERCENT (20%) TO THE MANAGING GENERAL PARTNERS AND EIGHTY PERCENT (80%) TO THE PARTNERS.

DISTRIBUTIONS

5.02 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 (10) days after the end of each calendar 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 EACH 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 FISCAL YEAR AS FOLLOWS: TWENTY PERCENT (20%) TO THE MANAGING GENERAL PARTNERS AND EIGHTY PERCENT (80%) TO THE PARTNERS.

ARTICLE SIX

OWNERSHIP OF PARTNERSHIP PROPERTY

Title to Partnership Property

6.01 All property acquired by the Partnership 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 Partnership property or any part of it. The Partners shall execute any documents that may be necessary to reflect the Partnership'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 Managing General Partner.

ARTICLE SEVEN

FISCAL MATTERS

Title to Partnership Property Accounting

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 END 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.

Fiscal Year

7.02 The fiscal year of the Partnership for both accounting and Federal 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 necessary expenses of the Partnership deductible before 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. Sullivan 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 Partners

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

- a. to engage, fire or terminate personnel, attorneys, accountants or other persons that may be deemed necessary or advisable
- b. 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 States 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.
- g. TO ADMIT PARTNERS INTO THE PARTNERSHIP NOT EXCEEDING ONE HUNDRED AND FIFTY (150) PARTNERS UNLESS THE PARTNERS HAVE APPROVED PURSUANT TO SECTION 14.04 THE ADMISSION INTO THE PARTNERSHIP OF MORE THAN ONE HUNDRED AND FIFTY (150) PARTNERS.

Restrictions on Partners

8.03 Without the prior consent of the Managing General Partners 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 principal 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 REVIEW 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.

Death, Removal or Appointment of Managing General Partner

8.06 ANY MANAGING GENERAL PARTNER MAY BE REMOVED WITH OR WITHOUT CAUSE AS DETERMINED BY THE AFFIRMATIVE VOTE OF FIFTY-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 LIABILITIES to the Partnership and to the other Partners resulting from the events, actions, or transactions occurring during the period in which such removed 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 SHALL BE APPOINTED BY THE AFFIRMATIVE VOTE OF FIFTY-ONE PERCENT (51%) IN INTEREST, NOT IN NUMBERS, OF THE PARTNERS. 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 INCOMPETENCY OF A MANAGING GENERAL PARTNER, ANY CO-MANAGING GENERAL PARTNER SHALL CONTINUE AS THE MANAGING GENERAL PARTNER OR, IF THERE SHALL BE 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

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 interest may be transferred or assigned to a party who at the time of the transfer or assignment is a Partner. Any transferee 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 transferee 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 (i) received the approval of the Partners as provided IN THIS AGREEMENT, and (ii) accepted and assumed, in writing, the terms and conditions of this Agreement.

Death or Incompetency of Partner

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 Partner'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 Partner does not pass in trust or passes to more than one heir or devisee or, on termination of a trust, is distributed to more than one beneficiary, then the Partnership shall have the right to terminate immediately the deceased Partner's interest in the Partnership. In that event, the Partnership shall return to the deceased Partner's heirs, devisees or beneficiaries, in cash, the value of the Partnership interest as calculated in ARTICLE ELEVEN as of the 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 PARTNERSHIP SHALL, WITHIN THIRTY (30) DAYS OF RECEIVING NOTICE OF THE PARTNER'S WITHDRAWAL,

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 any 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 Partners.

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 OR ADJUDICATION TO BE INSOLVENT OR A BANKRUPT, MAKING AN ASSIGNMENT FOR THE BENEFIT OF CREDITORS.

d. 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, 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 Partner's assets and the failure 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 of 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.

g. THE COMMITTING OR PARTICIPATION IN AN INJURIOUS ACT OF FRAUD, GROSS NEGLIGENCE, MISREPRESENTATION, EMBEZZLEMENT OR DISHONESTY AGAINST THE PARTNERSHIP, OR COMMITTING OR PARTICIPATING IN ANY OTHER INJURIOUS ACT OR OMISSION WANTONLY, WILLFULLY, RECKLESSLY, OR IN A MANNER WHICH WAS GROSSLY NEGLIGENT AGAINST THE PARTNERSHIP, MONETARILY OR OTHERWISE, OR BEING CONVICTED OF ANY ACT OR ACTS CONSTITUTING A FELONY OR MISDEMEANOR, OTHER THAN TRAFFIC VIOLATIONS, UNDER THE LAWS OF THE UNITED STATES OR ANY STATE THEREOF.

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 defaulting Partner five (5) days written

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 AGREEMENT.

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 Partner.

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 partners 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 PARTNERSHIP INTERESTS Purchase Price of Partnership 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 they 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 made for any existing contingent liabilities of the Partnership.

ARTICLE TWELVE

TERMINATION OF THE PARTNERSHIP

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;
- b. 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 Five; 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, then the balance of the reserve shall be distributed in accordance with Article Five, otherwise, capital shall be returned in accordance with their Partnership interests, and then any remaining sums shall be distributed 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

THE IRC. IT WILL BE THE OBLIGATION OF ANY CORPORATE, BENEFIT PLAN, OR TAX EXEMPT ENTITY PARTNER TO COMPLY WITH ALL STATE AND FEDERAL LAWS, 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. EACH 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 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.

FURTHERMORE, A PARTNER, IF OTHER THAN AN INDIVIDUAL, WILL BE REQUIRED TO DESIGNATE TO THE MANAGING GENERAL PARTNER PRIOR 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 AGREEMENT SHALL BE MADE ONLY TO THE PARTNER'S REPRESENTATIVE, IF NOT AN INDIVIDUAL, AND THE PARTNERSHIP SHALL NOT BE OBLIGATED 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 ACCOUNTS

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 OMISSIONS BELIEVED IN GOOD FAITH TO BE WITHIN THE SCOPE OF AUTHORITY CONFERRED BY THIS AGREEMENT. THE PARTNERS SHALL BE LIABLE ONLY FOR ACTS AND/OR OMISSIONS INVOLVING INTENTIONAL WRONGDOING, FRAUD, AND BREACHES OF FIDUCIARY DUTIES OF CARE AND LOYALTY. ACTIONS OR OMISSIONS TAKEN IN RELIANCE UPON THE ADVICE OF LEGAL COUNSEL APPROVED BY FIFTY-ONE PERCENT (51%) IN INTEREST, NOT IN NUMBERS, OF THE PARTNERS AS BEING WITHIN THE SCOPE CONFERRED BY THIS AGREEMENT SHALL BE CONCLUSIVE EVIDENCE 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 FIDUCIARY DUTIES OF CARE AND LOYALTY AND THOSE ENUMERATED IN THIS AGREEMENT CONSISTENTLY WITH THE OBLIGATION OF GOOD FAITH AND FAIR DEALING.

Additional Partners

14.04 THE PARTNERSHIP MAY ADMIT UP TO ONE HUNDRED AND FIFTY (150) PARTNERS INTO THE PARTNERSHIP IN ACCORDANCE WITH SECTION 8.02. THE PARTNERSHIP SHALL HAVE THE RIGHT TO ADMIT MORE THAN ONE HUNDRED AND FIFTY (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 AGREEMENT.

SUITABILITY

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 FROM THE DATE OF THAT PARTNER'S ADMISSION INTO THE PARTNERSHIP. AN ACCREDITED INVESTOR AS DEFINED IN THE ACT IS: A NATURAL 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 SPOUSE IN EXCESS OF \$300,000.00 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 NET WORTH WITH THEIR SPOUSE, AT THE TIME OF ADMISSION INTO THE PARTNERSHIP IS IN EXCESS OF \$1,000,000.00; A 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 SUCH KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS THAT HE IS CAPABLE OF EVALUATING THE MERITS AND RISKS INVOLVED IN BECOMING A PARTNER; ANY ORGANIZATION DESCRIBED IN SECTION 501(c)(3) OF THE IRC, CORPORATION, MASSACHUSETTS OR SIMILAR BUSINESS TRUST, OR PARTNERSHIP, NOT FORMED FOR THE SPECIFIC PURPOSE OF ACQUIRING THE PARTNERSHIP INTEREST HEREIN, WITH TOTAL ASSETS IN EXCESS OF \$5,000,000.00; ANY PRIVATE BUSINESS DEVELOPMENT COMPANY AS DEFINED IN SECTION 3(a)(2) OF THE ACT OR ANY SAVINGS AND LOAN ASSOCIATION OR OTHER INSTITUTION AS DEFINED IN SECTION 3(a)(5) (A) OF THE ACT, WHETHER ACTING IN ITS INDIVIDUAL OR FIDUCIARY CAPACITY; ANY BROKER-DEALER REGISTERED PURSUANT TO SECTION 15 OR SECTION 2(13) OF THE ACT; ANY INVESTMENT COMPANY REGISTERED UNDER THE INVESTMENT COMPANY ACT OF 1940 OR A BUSINESS DEVELOPMENT COMPANY AS DEFINED IN SECTION 2(a)(46) OF THE ACT; ANY SMALL BUSINESS INVESTMENT COMPANY LICENSED BY THE U.S. SMALL BUSINESS ADMINISTRATION UNDER SECTION 301(c) OR (d) OF THE SMALL BUSINESS INVESTMENT ACT OF 1958; ANY PLAN ESTABLISHED AND MAINTAINED BY A STATE, ITS POLITICAL SUBDIVISION, OR ANY AGENCY OR INSTRUMENTALITY OF A STATE OR ITS POLITICAL SUBDIVISIONS, FOR THE BENEFIT OF ITS EMPLOYEES, IF SUCH PLAN HAS TOTAL ASSETS IN EXCESS OF \$5,000,000; ANY EMPLOYEE BENEFIT PLAN WITHIN THE MEANING OF THE EMPLOYEE RETIREMENT INCOME SECURITIES ACT OF 1974, IF THE INVESTMENT DECISION IS MADE BY A PLAN FIDUCIARY, AS DEFINED IN SECTION 3(21) OF SUCH ACT, WHICH IS EITHER A BANK, SAVINGS AND LOAN ASSOCIATION, INSURANCE COMPANY, OR REGISTERED INVESTMENT ADVISOR, OR IF THE EMPLOYEE BENEFIT PLAN HAS TOTAL ASSETS IN EXCESS OF \$5,000,000.00, OR, IF A SELF-DIRECTED PLAN, WITH INVESTMENT DECISIONS MADE SOLELY BY PERSONS THAT ARE ACCREDITED INVESTORS; AND, ANY ENTITY WHICH ALL OF THE EQUITY OWNERS ARE ACCREDITED INVESTORS AS DEFINED ABOVE.

Notices

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 to 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

14.07 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.

11

Disputes

14.08 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 female or neuter gender AND VICE VERSA, AND all singular words shall include the plural, and all plural words 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.

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

S & P ASSOCIATES, General Partnership
c/o SULLIVAN & POWELL
6550 N. Federal Hwy., Suite 218
Ft. Lauderdale, FL 33308-1404

- 1) The Parties hereto have executed this Agreement by the signature and date set forth below. Each party signing below hereby represents and warrants that such party is sophisticated and experienced in financial and business matters and, as a result, is in a position to evaluate and participate in the business and administration of the Partnership.

Date: _____
Date: _____

2) **Distributions:**

- ____ I elect to receive distributions on a quarterly basis in the amount of \$ _____
____ I elect to have my quarterly distribution reinvested in the Partnership.

3) **Please check one of the following accredited investor choices:**

- ____ I am an accredited investor as defined below.
____ I am not an accredited investor.

The following would qualify as an "accredited investor":

- (i) A person with an individual net worth, or together with his or her spouse a combined net worth, in excess of \$1,000,000. Net worth means the excess of total assets at fair market value, including home, home furnishings and automobiles, over total liabilities.
(ii) A person with an individual income (exclusive of any income attributable to his or her spouse) in excess of \$200,000 in each of the past two years, and that he or she reasonably expects to have

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)

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

Name, Address
Telephone No. and Fax No.

Social Security No. or
Federal ID No.

Capital Contribution

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

**P&S ASSOCIATES, G/P AMENDED AND RESTATED
PARTNERSHIP AGREEMENT**

This AMENDED & RESTATED Partnership 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 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 PARTNERS AGREE AS FOLLOWS:

Background

The Partners 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 partnership 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 business of the partnership shall be conducted under the name P & S 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

1.02 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.

ARTICLE TWO

PURPOSE OF THE PARTNERSHIP

By Consent of Partners

2.01 The Partnership 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 Partnership 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 metal, 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 FIFTY-ONE PERCENT (51%) IN INTEREST, NOT IN NUMBERS, OF THE PARTNERS, to have discretionary investment powers with the 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 Partner 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 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 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.

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 contribution:

- a. 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

5.01 The capital gains, capital losses, dividends, interest, margin interest expense, and all other profits and losses attributable to the Partnership shall be allocated among the Partners IN THE RATIO EACH 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 AS FOLLOWS: TWENTY PERCENT (20%) TO THE MANAGING GENERAL PARTNERS AND EIGHTY PERCENT (80%) TO THE PARTNERS.

DISTRIBUTIONS

5.02 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 (10) days after the end of each calendar 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 EACH 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 FISCAL YEAR AS FOLLOWS: TWENTY PERCENT (20%) TO THE MANAGING GENERAL PARTNERS AND EIGHTY PERCENT (80%) TO THE PARTNERS.

ARTICLE SIX

OWNERSHIP OF PARTNERSHIP PROPERTY

Title to Partnership Property

6.01 All property acquired by the Partnership 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 Partnership property or any part of it. The Partners shall execute any documents that may be necessary to reflect the Partnership'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 Managing General Partner.

ARTICLE SEVEN

FISCAL MATTERS

Title to Partnership Property Accounting

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 END 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.

Fiscal Year

7.02 The fiscal year of the Partnership for both accounting and Federal 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 necessary expenses of the Partnership deductible before 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. Sullivan and Greg Rowell. 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.

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Powers of Managing General Partners

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

- a. to engage, fire or terminate personnel, attorneys, accountants or other persons that may be deemed necessary or advisable
- b. 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 States 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.
- g. TO ADMIT PARTNERS INTO THE PARTNERSHIP NOT EXCEEDING ONE HUNDRED AND FIFTY (150) PARTNERS UNLESS THE PARTNERS HAVE APPROVED PURSUANT TO SECTION 14.04 THE ADMISSION INTO THE PARTNERSHIP OF MORE THAN ONE HUNDRED AND FIFTY (150) PARTNERS.

Restrictions on Partners

8.03 Without the prior consent of the Managing General Partners 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 REVIEW 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.

Death, Removal or Appointment of Managing General Partner

8.06 ANY MANAGING GENERAL PARTNER MAY BE REMOVED WITH OR WITHOUT CAUSE AS DETERMINED BY THE AFFIRMATIVE VOTE OF FIFTY-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 LIABILITIES to the Partnership and to the other Partners resulting from the events, actions, or transactions occurring during the period in which such removed 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 SHALL BE APPOINTED BY THE AFFIRMATIVE VOTE OF FIFTY-ONE PERCENT (51%) IN INTEREST, NOT IN NUMBERS, OF THE PARTNERS. 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 INCOMPETENCY OF A MANAGING GENERAL PARTNER, ANY CO-MANAGING GENERAL PARTNER SHALL CONTINUE AS THE MANAGING GENERAL PARTNER OR, IF THERE SHALL BE 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

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 interest may be transferred or assigned to a party who at the time of the transfer or assignment is a Partner. Any transferee 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 transferee 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 (i) received the approval of the Partners as provided IN THIS AGREEMENT, and (ii) accepted and assumed, in writing, the terms and conditions of this Agreement.

Death or Incompetency of Partner

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 Partner'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 devise or, on termination of a trust, is distributed to more than one beneficiary, then the Partnership shall have the right to terminate immediately the deceased Partner's interest in the Partnership. In that event, the Partnership shall return to the deceased Partner's heirs, devisees or beneficiaries, in cash, the value of the Partnership interest as calculated in ARTICLE ELEVEN as of the 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 PARTNERSHIP SHALL, WITHIN THIRTY (30) DAYS OF RECEIVING NOTICE OF THE PARTNER'S WITHDRAWAL,

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 any 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 Partners.
- 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 OR ADJUDICATION TO BE INSOLVENT OR A BANKRUPT, MAKING AN ASSIGNMENT FOR THE BENEFIT OF CREDITORS.
- d. 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, 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 Partner's assets and the failure 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.
- g. THE COMMITTING OR PARTICIPATION IN AN INJURIOUS ACT OF FRAUD, GROSS NEGLIGENCE, MISREPRESENTATION, EMBEZZLEMENT OR DISHONESTY AGAINST THE PARTNERSHIP, OR COMMITTING OR PARTICIPATING IN ANY OTHER INJURIOUS ACT OR OMISSION WANTONLY, WILLFULLY, RECKLESSLY, OR IN A MANNER WHICH WAS GROSSLY NEGLIGENT AGAINST THE PARTNERSHIP, MONETARILY OR OTHERWISE, OR BEING CONVICTED OF ANY ACT OR ACTS CONSTITUTING A FELONY OR MISDEMEANOR, OTHER THAN TRAFFIC VIOLATIONS, UNDER THE LAWS OF THE UNITED STATES OR ANY STATE THEREOF.

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 defaulting Partner five (5) days written 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 AGREEMENT.

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 Partner.

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 partners 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 PARTNERSHIP INTERESTS Purchase Price of Partnership 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 they 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 made for any existing contingent liabilities of the Partnership.

ARTICLE TWELVE TERMINATION OF THE PARTNERSHIP

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;

b. 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 Five; 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, then the balance of the reserve shall be distributed in accordance with Article Five, otherwise, capital shall be returned in accordance with their Partnership interests, and then any remaining sums shall be distributed 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 THE IRC. IT WILL BE THE OBLIGATION OF ANY CORPORATE, BENEFIT PLAN, OR TAX EXEMPT ENTITY PARTNER TO COMPLY WITH ALL STATE AND FEDERAL LAWS, 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. EACH 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 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.

FURTHERMORE, A PARTNER, IF OTHER THAN AN INDIVIDUAL, WILL BE REQUIRED TO DESIGNATE TO THE MANAGING GENERAL PARTNER PRIOR 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 AGREEMENT SHALL BE MADE ONLY TO THE PARTNER'S REPRESENTATIVE, IF NOT AN INDIVIDUAL, AND THE PARTNERSHIP SHALL NOT BE OBLIGATED 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 ACCOUNTS

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 OMISSIONS BELIEVED IN GOOD FAITH TO BE WITHIN THE SCOPE OF AUTHORITY CONFERRED BY THIS AGREEMENT. THE PARTNERS SHALL BE LIABLE ONLY FOR ACTS AND/OR OMISSIONS INVOLVING INTENTIONAL WRONGDOING, FRAUD, AND BREACHES OF FIDUCIARY DUTIES OF CARE AND LOYALTY. ACTIONS OR OMISSIONS TAKEN IN RELIANCE UPON THE ADVICE OF LEGAL COUNSEL APPROVED BY FIFTY-ONE PERCENT (51%) IN INTEREST, NOT IN NUMBERS, OF THE PARTNERS AS BEING WITHIN THE SCOPE CONFERRED BY THIS AGREEMENT SHALL BE CONCLUSIVE EVIDENCE 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 FIDUCIARY DUTIES OF CARE AND LOYALTY AND THOSE ENUMERATED IN THIS AGREEMENT CONSISTENTLY WITH THE OBLIGATION OF GOOD FAITH AND FAIR DEALING.

Additional Partners

14.04 THE PARTNERSHIP MAY ADMIT UP TO ONE HUNDRED AND FIFTY (150) PARTNERS INTO THE PARTNERSHIP IN ACCORDANCE WITH SECTION 8.02. THE PARTNERSHIP SHALL HAVE THE RIGHT TO ADMIT MORE THAN ONE HUNDRED AND FIFTY (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 AGREEMENT.

SUITABILITY

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 FROM THE DATE OF THAT PARTNER'S ADMISSION INTO THE PARTNERSHIP. AN ACCREDITED INVESTOR AS DEFINED IN THE ACT IS: A NATURAL 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 SPOUSE IN EXCESS OF \$300,000.00 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 NET WORTH WITH THEIR SPOUSE, AT THE TIME OF ADMISSION INTO THE PARTNERSHIP IS IN EXCESS OF \$1,000,000.00; A 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 SUCH KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS THAT HE IS CAPABLE OF EVALUATING THE MERITS AND RISKS INVOLVED IN BECOMING A PARTNER; ANY ORGANIZATION DESCRIBED IN SECTION 501(c)(3) OF THE IRC, CORPORATION, MASSACHUSETTS OR SIMILAR BUSINESS TRUST, OR PARTNERSHIP, NOT FORMED FOR THE SPECIFIC PURPOSE OF ACQUIRING THE PARTNERSHIP INTEREST HEREIN, WITH TOTAL ASSETS IN EXCESS OF \$5,000,000.00; ANY PRIVATE BUSINESS DEVELOPMENT COMPANY AS DEFINED IN SECTION 3(a)(2) OF THE ACT OR ANY SAVINGS AND LOAN ASSOCIATION OR OTHER INSTITUTION AS DEFINED IN SECTION 3(a)(5) (A) OF THE ACT, WHETHER ACTING IN ITS INDIVIDUAL OR FIDUCIARY CAPACITY; ANY BROKER-DEALER REGISTERED PURSUANT TO SECTION 15 OR SECTION 2(13) OF THE ACT; ANY INVESTMENT COMPANY REGISTERED UNDER THE INVESTMENT COMPANY ACT OF 1940 OR A BUSINESS DEVELOPMENT COMPANY AS DEFINED IN SECTION 2(a)(48) OF THE ACT; ANY SMALL BUSINESS INVESTMENT COMPANY LICENSED BY THE U.S. SMALL BUSINESS ADMINISTRATION UNDER SECTION 301(c) OR (d) OF THE SMALL BUSINESS INVESTMENT ACT OF 1958; ANY PLAN ESTABLISHED AND MAINTAINED BY A STATE, ITS POLITICAL SUBDIVISION, OR ANY AGENCY OR INSTRUMENTALITY OF A STATE OR ITS POLITICAL SUBDIVISIONS, FOR THE BENEFIT OF ITS EMPLOYEES, IF SUCH PLAN HAS TOTAL ASSETS IN EXCESS OF \$5,000,000; ANY EMPLOYEE BENEFIT PLAN WITHIN THE MEANING OF THE EMPLOYEE RETIREMENT INCOME SECURITIES ACT OF 1974, IF THE INVESTMENT DECISION IS MADE BY A PLAN FIDUCIARY, AS DEFINED IN SECTION 3(21) OF SUCH ACT, WHICH IS EITHER A BANK, SAVINGS AND LOAN ASSOCIATION, INSURANCE COMPANY, OR REGISTERED INVESTMENT ADVISOR, OR IF THE EMPLOYEE BENEFIT PLAN HAS TOTAL ASSETS IN EXCESS OF \$5,000,000.00, OR, IF A SELF-DIRECTED PLAN, WITH INVESTMENT DECISIONS MADE SOLELY BY PERSONS THAT ARE ACCREDITED INVESTORS; AND, ANY ENTITY WHICH ALL OF THE EQUITY OWNERS ARE ACCREDITED INVESTORS AS DEFINED ABOVE.

Notices

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, telecopied, telexed or sent by United States mail and shall be deemed to 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

14.07 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.

11

Disputes

14.08 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 female or neuter gender AND VICE VERSA. AND all singular words shall include the plural, and all plural words 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.

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

**P & S ASSOCIATES, General Partnership
c/o SULLIVAN & POWELL
6550 N. Federal Hwy., Suite 210
Ft. Lauderdale, FL 33308-1404**

- 1) The Parties hereto have executed this Agreement by the signature and date set forth below. Each party signing below hereby represents and warrants that such party is sophisticated and experienced in financial and business matters and, as a result, is in a position to evaluate and participate in the business and administration of the Partnership.

Date: _____

Date: _____

- 2) **Please check one of the following distribution options:**

____ I elect to receive distributions on a quarterly basis in the amount of \$ _____.

____ I elect to have my quarterly distribution reinvested in the Partnership.

- 3) **Please check one of the following accredited investor choices:**

____ I am an accredited investor as defined below.

____ I am not an accredited investor.

The following would qualify as an "accredited investor":

(i) A person with an individual net worth, or together with his or her spouse a combined net worth, in excess of \$1,000,000. Net worth means the excess of total assets at fair market value, including home, home furnishings and automobiles, over total liabilities.

(ii) A person with an individual income (exclusive of any income attributable to his or her spouse) in excess of \$200,000 in each of the past two years, and that he or she reasonably expects to have 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)

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

Name, Address
Telephone No. and Fax No.

Social Security No. or
Federal ID No.

Capital Contribution

_____	_____	_____

_____	_____	_____

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

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

CASE NO. 12-24051 (07)
COMPLEX LITIGATION UNIT

MATTHEW CARONE, as Trustee for the Carone Marital Trust #2 UTD 1/26/00, Carone Gallery, Inc. Pension Trust, Carone Family Trust, Carone Marital Trust #1 UTD 1/26/00 and Matthew D. Carone Revocable Trust, JAMES JORDAN, as Trustee for the James A. Jordan Living Trust, ELAINE ZIFFER, an individual, and FESTUS AND HELEN STACY FOUNDATION, INC., a Florida corporation,

Plaintiffs,

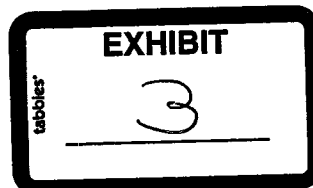
v.

MICHAEL D. SULLIVAN, individually,

Defendants.

MOTION FOR ORDER TO SHOW CAUSE

Plaintiffs MATTHEW CARONE, as Trustee for the Carone Marital Trust #2 UTD 1/26/00, Carone Gallery, Inc. Pension Trust, Carone Family Trust, Carone Marital Trust #1 UTD 1/26/00 and Matthew D. Carone Revocable Trust, JAMES JORDAN, as Trustee for the James A. Jordan Living Trust, ELAINE ZIFFER, an individual, and FESTUS AND HELEN STACY FOUNDATION, INC., a Florida corporation, move this Court for an order to show cause why Defendant Michael D. Sullivan ("Sullivan") should not be held in civil contempt for intentionally violating this Court's August 29, 2012 Agreed Order. In support of this motion, Plaintiffs state:



BERGER SINGERMAN
attorneys at law

Boca Raton Fort Lauderdale Miami Tallahassee

STATEMENT OF FACTS

This Court entered an Agreed Order by and between the Plaintiffs and Sullivan dated August 29, 2012. A copy of the Court's Order dated August 29, 2012 is attached hereto as **Exhibit A**. Pursuant to the Order, *inter alia*, Sullivan resigned as Managing General Partner of P&S Associates, General Partnership ("P&S") and S&P Associates, General Partnership ("S&P") (collectively the "Partnerships") and Margaret J. Smith ("Smith") was deemed in his stead to be sole Managing General Partner of both Partnerships. Furthermore, Sullivan agreed that "he does not now and will not in the future challenge the appointment of Ms. Smith as Managing General Partner on August 17, 2012." See Exhibit A, ¶ 5.

Despite the Agreed Order, it was recently discovered that Sullivan is conspiring with others to replace Smith as Managing General Partner of S&P. On December 12, 2012, Steven Jacob electronically transmitted a November 24, 2012 letter, "Notice of a Special Meeting of the Partners of S&P Associates", and a Proxy to Cindy Wallick, a partner in S&P. A copy of the letter from Steven F. Jacob to S&P Partner dated November 24, 2012, "Notice of a Special Meeting of the Partners of S&P Associates", and Proxy are attached hereto as composite **Exhibit B**. By those documents, a meeting of S&P's partners is to occur on December 17, 2012, at the offices of Becker Poliakoff, one day prior to this Court's hearing on Plaintiff's motion to appoint a receiver for the Partnerships. The alleged purpose of this meeting is to, *inter alia*, (i) confirm that Smith was never properly elected as Managing General Partner, (ii) to confirm that Sullivan was never properly removed as Managing General Partner, and, finally, (iii) elect a co-conspirator of Sullivan, Steven F. Jacob, as Managing General Partner of S&P.

While the November 24, 2012 letter purports to be only from Jacob, an examination of the metadata belonging to the "Notice of a Special Meeting of the Partners of S&P Associates"

and Proxy reveals that those documents actually originated from Michael D. Sullivan & Associates – Sullivan’s firm. An image of the document properties belonging to the November 24, 2012 letter, “Notice of a Special Meeting of the Partners of S&P Associates”, and Proxy is attached hereto as **Exhibit C**.

The only purpose of these documents is to challenge Smith’s appointment as Managing General Partner and replace her with one of Sullivan’s cronies. Accordingly, Sullivan’s actions are in clear violation of this Court’s Agreed Order and, as set forth below, he should be held in civil contempt.

I. SULLIVAN SHOULD BE HELD IN CIVIL CONTEMPT FOR INTENTIONALLY VIOLATING THIS COURT’S AGREED ORDER DATED AUGUST 29, 2012.

“Civil contempt consists of failing to do something ordered to be done by a court or judge for the benefit of the opposing party. *Parsons v. Wennen*, 625 So. 2d 945, 947 (Fla. 4th DCA 1993). The Florida Supreme Court has stated that civil contempt is proper “where the contempt consists of the failure to perform an act or duty that is within the power of the offender to perform.” *Contella v. Contella*, 557 So. 2d 880, 883 (Fla. 5th DCA 1990) (citing *Bowen v. Bowen*, 471 So.2d 1274 (Fla.1985). “[T]o be a valid civil contempt sanction the contempt order must include a purge provision.” *Parisi v. Broward County*, 769 So. 2d 359, 365 (Fla. 2000).

In this case, Sullivan should be held in civil contempt because he intentionally violated this Court’s August 29, 2012 Agreed Order. As set forth above, it was explicitly ordered that Sullivan will not “challenge the appointment of Ms. Smith as Managing General Partner.” See Exhibit A, ¶ 5. Therefore, as the Order states, Sullivan should have ceased engaging in activity meant to challenge Smith as Managing General Partner. He did not. The metadata of the “Notice of a Special Meeting of the Partners of S&P Associates” and Proxy that were sent to S&P’s partners demonstrates that Sullivan intentionally violated this Court’s Agreed Order by

playing some role in drafting documents whose only purpose can be to challenge the appointment of Smith as Managing General Partner. Such action is prohibited by this Court's Agreed Order. Accordingly, Sullivan should be found in civil contempt for his role in actively continuing to challenge the appointment of Smith as Managing General Partner.

WHEREFORE, Plaintiffs request that this Court enter an Order to show cause why Sullivan should not be held in civil contempt for failing to abide by this Court's August 29, 2012 Agreed Order, and for any and all other further relief as the Court deems just and proper.

Respectfully Submitted,

BERGER SINGERMANN
Attorneys for Plaintiffs
350 East Las Olas Blvd, Suite 1000
Fort Lauderdale, FL 33301
Telephone: (954) 525-9900
Facsimile: (954) 523-2872

By: 

Leonard K. Samuels
Florida Bar No. 501610
Etan Mark
Florida Bar No. 720852

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 17 day of November 2012, the foregoing was sent via U.S. Mail and Electronic Mail to Gary C. Rosen, Esq., (grosen@becker-poliakoff.com), Becker & Poliakoff, LLP, Becker & Poliakoff, LLP, Emerald Lake Park, 3111 Stirling Road, Fort Lauderdale, Florida 33312, Chad Pugatch, Esq., (cpugatch@rprslaw.com), Rice Pugatch Robinson & Schiller, 101 NE 3rd Ave., Ste. 1800, Fort Lauderdale, Florida 33301, and Domenica L. Frasca, Esq. (dfrasca@mayersohnlaw.com) Mayersohn Law Group, P.A., 101 N.E. 3rd Avenue, Suite 1250, Fort Lauderdale, Florida 33301. Additionally, a copy of this motion has been sent to every partner on the attached service list.

By: _____

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

CASE NO. 12-24051 1071
COMPLEX LITIGATION UNIT

MATTHEW CARONE, as Trustee for the Carone
Marital Trust #2 UTD 1/26/00, Carone Gallery, Inc.
Pension Trust, Carone Family Trust, Carone Marital
Trust #1 UTD 1/26/00 and Matthew D. Carone
Revocable Trust, JAMES JORDAN, as Trustee for
the James A. Jordan Living Trust, BLAINE
ZIFFER, an individual, and FESTUS AND HELEN
STACY FOUNDATION, INC., a Florida
corporation,

Plaintiffs,

v.

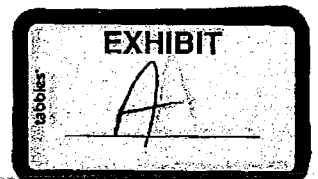
MICHAEL D. SULLIVAN, individually,

Defendant.

**AGREED ORDER RESOLVING PLAINTIFFS'
EMERGENCY MOTION FOR TEMPORARY INJUNCTION**

THIS CAUSE came before the Court on Plaintiffs' Emergency Motion for Temporary Injunction, and this Court having been advised of an agreement between the parties and being otherwise duly advised in the premises, it is hereby ORDERED that:

1. This Order implements the agreement of the Parties and is entered on an agreed basis. Plaintiffs' Emergency Motion for Temporary Injunction is resolved as provided herein.
2. Defendant Michael D. Sullivan ("Defendant") shall resign as Managing General Partner of both P&S Associates, General Partnership ("P&S") and S&P Associates, General Partnership ("S&P") (together with P&S, the "Partnerships"), and consents to the appointment of Margaret J. Smith ("Ms. Smith") as Managing General Partner in his



stead. Plaintiffs' agreement to allow Defendant to resign is not a waiver of any positions asserted in this action.

3. Ms. Smith is deemed the Managing General Partner of the Partnerships effective upon entry of this Order and will remain as such unless and until she withdraws from her role as Managing General Partner, or is removed consistent with the terms of the Partnership Agreements.
4. As Managing General Partner, Ms. Smith will be given full access to all of the Partnerships' books, records, assets and property and will be afforded all of the rights and duties of a Managing General Partner, including but not limited to those contemplated by Article 8.02 of each of the Partnerships' respective Partnership Agreements.
5. Defendant does not now and will not in the future challenge the appointment of Ms. Smith as Managing General Partner on August 17, 2012. Defendant agrees that he is no longer authorized to act in any capacity as Managing General Partner of the Partnerships, and is to direct all Partnership business to Ms. Smith. In so consenting to his withdrawal as Managing General Partner, Defendant reserves all other rights and defenses, and such consent to Ms. Smith's appointment shall not be deemed or considered an admission of liability either on his own behalf or on behalf of any of his employees, affiliates, assigns or agents.
6. The Parties further reserve all rights with respect to the action styled *P&S Associates, et al. v. Roberta Alves, et al.*, Case No. 2012CA013587, currently pending in the Circuit Court of the 15th Judicial Circuit in and for Palm Beach County (the "Interpleader Case"). Defendant may not act as representative or Managing General Partner of the Partnerships with respect to that action. However, the Parties specifically agree, as a condition of the

relief provided herein, that the Interpleader Case will not be unilaterally dismissed by Ms. Smith in her capacity as the Managing General Partner of the Partnerships. Without prejudice to the rights of the Managing General Partner pursuant to paragraphs 7.05 and 8.02 of the Partnership Agreements, it is the intent of the Parties that the Interpleader Action provide the basis for the methodology used to determine how distributions will be made to partners, *i.e.*, without limitation, based on the amount in the partner's capital account (last statement balance), in the amount of the net investment of the account holder over the life of the account, or based on other equitable principles. Plaintiffs reserve all defenses to the Interpleader Action, and do not, by virtue of this Order, concede that venue in Palm Beach County is appropriate.

7. On or before September 5, 2012, Defendant shall provide to Ms. Smith all books and records not previously provided to Plaintiffs or their representatives, including electronic records of the Partnerships. Subject to Defendant's right to raise any written objection under the Florida Rules of Civil Procedure, Defendant shall provide the books and records of JS&P Associates, General Partnership, and SPJ Investments, Ltd. Defendant has represented that he does not have custody, possession or control of the books or records, electronic or otherwise, of Guardian Angel Trust, LLC. Defendant further agrees to use his best efforts to insure an efficient, orderly and smooth transition from his role as Managing General Partner to Ms. Smith's role as Managing General Partner.
8. This case is hereby stayed pending further order of the Court, but for a period of not less than 60 days, without prejudice to the rights of any parties to this action. This stay will be lifted upon a motion by either party.

9. This Order is binding on all Parties, including Ms. Smith, who is not a named party but has submitted herself to the jurisdiction of this Court by accepting the appointment as Managing General Partner as provided in paragraph 3 above.

10. Defendant, by agreeing to the terms of this Order specifically denies and does not admit any liability or wrongdoing and nothing in this Order shall constitute any finding of liability or wrongdoing either by Defendant or any of his employees, affiliates, assigns or agents. It is Defendant's position that he has agreed to the relief herein to preserve the resources of the Partnerships.

DONE AND ORDERED in Chambers in Broward County, Ft. Lauderdale, Florida, on this _____ day of August, 2012.

JEFFREY E. STREIFELD

AUG 29 2012

JEFFREY E. STREITFELD
CIRCUIT COURT JUDGE

A TRUE COPY

Copies furnished to:

All Counsel of Record

Steven F. Jacob, CPA & Associates, Inc.

3696 North Federal Highway Suite 301
Fort Lauderdale, FL. 33308

Telephone (954)492-0088
Fax (954) 938-0069
guardianangeltrust@msn.com

Steven F. Jacob, CPA

November 24, 2012

Dear S&P Partner,

I am writing to inform you that a special meeting of S&P Associates ("The Partnership") has been called to take place on Monday, December 17, 2012 commencing at 10:00 AM at the offices of Becker Poliakoff, 3111 Stirling Road, Fort Lauderdale, FL, 33312. Enclosed is a "NOTICE OF SPECIAL MEETING OF THE PARTNERS OF S&P ASSOCIATES" that further describes this meeting.

My name is Steve Jacob, I am a CPA and a partner in S&P and have extensive knowledge of the books and records of the Partnership. Much has happened over the past several months as most of you have seen by the amount of court documents we have received. **A majority of partners including myself would like to see the partnership wind down and distribute whatever funds are available to the partners.** A forensic review of the records was done by Glass Ratner and it showed that no money is missing from any partners or the partnership. The plan I am presenting is to not spend the remaining partnership assets on anything except what is needed to distribute the remaining funds to the partners and once all funds are distributed to close the partnership. If any individual partner would like to initiate a law suit this is their right, however it should be done with their money, not Partnership money.

To move forward on the plan stated above a Special meeting of the Partnership is required. To summarize:

1. Maggie Smith was never properly elected Managing General Partner;
2. Michael Sullivan was never properly removed and;
3. Since that time, Michael D. Sullivan has resigned as Managing General Partner.

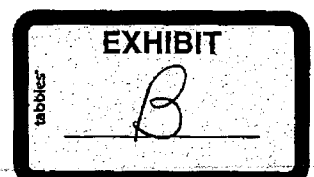
The above facts represent the "First Motion" on the Notice of Special Meeting and Proxy forms attached. If the First Motion is approved a Second Motion to elect Steven F. Jacob, CPA as the Managing General Partner (Second Motion) will also be voted on. This also is shown on the Notice of Special Meeting and Proxy forms attached.

Voting will occur by written Ballot or by Proxy. If you chose not to attend the special meeting, please complete sign and mail the enclosed document entitled "PROXY", to be received by December 14, 2012 to the following address: Oltman, Fynn and Kubler, 915 Middle River Drive, Suite #415, Ft. Lauderdale, FL, 33304.

Should you have any questions regarding this package feel free to email your questions to me at guardianangeltrust@msn.com or you can call me at (954) 648-1796. I hope you agree to vote For (yes) to both items so we can maximize the payment of the settlement to each General Partner and move on with our lives.

Sincerely,

Steven F. Jacob, CPA
Enclosures:



NOTICE OF A SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

Pursuant to Section 8.04 of the Amended and Restated Partnership Agreement ("The Agreement") of S & P Associates, a general partnership (the "Partnership") dated December 21, 1994, this constitutes notice to the partners of the Partnership that a special meeting (the "Meeting") of the Partnership has been called by the undersigned, which collectively hold more than fifty-one percent (51%) of the general partnership interest in the Partnership. The meeting will take place on December 17, 2012 at the offices of Becker Poliakoff, P. A., 3111 Stirling Road, Fort Lauderdale, FL 33312 commencing at 10 AM.

The purpose of the Meeting is to consider and act upon confirming that Margaret J. Smith was never properly elected Managing General Partner and Michael Sullivan was never properly removed. Since that time Michael D. Sullivan has resigned. (First Proposal) If the First Proposal is approved, the Partnership Agreement will be amended to reflect the resignation of Michael D. Sullivan as Managing General Partner. If the First Proposal is approved a Second Proposal to elect Steven F. Jacob, CPA as the Managing General Partner will be voted on and if approved, the Partnership Agreement will be amended to reflect Mr. Jacob as the new Managing General Partner. Partners will be asked to vote (by ballot or pursuant to a proxy, as described below) on whether or not they agree to the first and second proposal.

Enclosed is a Proxy. If you wish to vote by Proxy, please complete, sign and mail or fax the enclosed document entitled "PROXY", for delivery by December 14, 2012 to the following address: Oltman, Flynn & Kubler,, 915 Middle River Drive, Suite #415, Fort Lauderdale, FL 33304. Please use the enclosed return envelope or fax to (954) 938-0069. Voting will occur by written Ballot and pursuant to the authorization in the Proxy on the questions presented in this Notice of a Special Meeting. At the conclusion of the Meeting, polling on the questions presented will close and the votes by written Ballot or as authorized by Proxy will be counted. Approval of the First and/or Second Proposals (and if approved), amending the Partnership Agreement to reflect the change of Managing General Partner will require the affirmative vote of fifty-one percent (51%) of all of the partners interests, not number of partners in the Partnership.

Thank you. We look forward to your active participation in this important meeting.

PROXY
SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES
DECEMBER 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), is entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person Steven F. Jacob (a "Proxy Holder") to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on December 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

FIRST PROPOSAL:

Confirming that Margaret J. Smith was never properly elected Managing General Partner and Michael Sullivan was never properly removed. Since that time Michael D. Sullivan has resigned. (First Proposal) If the First Proposal is approved, the Partnership Agreement will be amended to reflect the resignation of Michael D. Sullivan as Managing General Partner.

For: _____ Against: _____

Signature: _____

Name: _____

Title: _____

Date

SECOND PROPOSAL, if First Proposal is approved:

Confirming that Steven F. Jacob, CPA to be the new Managing General Partner of the Partnership. If the Second Proposal is approved, the Partnership Agreement will be amended to reflect the Steven F. Jacob, CPA as Managing General Partner.

For: _____ Against: _____

Signature: _____

Name: _____

Title: _____

Date

Voting will occur at the Meeting and at the conclusion of the Meeting, polling will close and Proxies and/or Ballots will be counted.

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

CASE NO. 12-24051 (07)
COMPLEX LITIGATION UNIT

MATTHEW CARONE, as Trustee for the Carone Marital Trust #2 UTD 1/26/00, Carone Gallery, Inc. Pension Trust, Carone Family Trust, Carone Marital Trust #1 UTD 1/26/00 and Matthew D. Carone Revocable Trust, JAMES JORDAN, as Trustee for the James A. Jordan Living Trust, ELAINE ZIFFER, an individual, and FESTUS AND HELEN STACY FOUNDATION, INC., a Florida corporation,

Plaintiffs,

v.

MICHAEL D. SULLIVAN, individually,

Defendants.

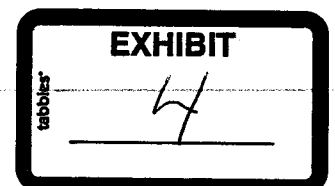
AFFIDAVIT OF STEVEN MARINARO

STATE OF NEW YORK)
)SS
COUNTY OF SUFFOLK)

BEFORE ME, the undersigned authority, personally appeared Steven Marinaro, who deposes and states:

1. I, Steven Marinaro, am above the legal age of majority and otherwise competent to make this affidavit. I make this affidavit of my own personal knowledge, except where otherwise indicated.

2. I am a partner in S&P, General Partnerships ("S&P").



3. I have known Michael D. Sullivan since 2003 in his role as Managing General Partner of S&P.

4. My understanding is that the partners of S&P successfully voted to remove Mr. Sullivan as Managing General Partner of S&P on August 17, 2012.

5. I have corresponded with Mr. Sullivan since at least August 14, 2012. Attached hereto as Exhibit A is a copy of an e-mail from Sullivan to me dated August 14, 2012. Attached hereto as Exhibit B is copy of an e-mail from Sullivan to me dated August 17, 2012.

6. Ultimately, my understanding is that Mr. Sullivan agreed to resign as Managing General Partner of S&P.

7. I continued to correspond with Mr. Sullivan after he resigned as Managing General Partner of S&P.

8. On November 16, 2012, Mr. Sullivan e-mailed me and asked me to call him. Attached hereto as Exhibit C is a copy of an e-mail from Mr. Sullivan to me dated November 16, 2012.

9. Later that day, Mr. Sullivan again asked me to call him and asked me to sign some documents that were forwarded to me. Attached hereto as Exhibit D is a copy of an e-mail from Mr. Sullivan to me dated November 16, 2012, with accompanying documents. Those documents included a letter from Steven Jacob to Partners, a "Notice of a Special Meeting of the Partners of S&P Associates," and a Proxy. The purpose of those documents was to call a meeting of S&P partners and to vote on the removal of Margaret J. Smith as Managing General Partner and if Ms. Smith is replaced, to amend the Partnership's Amended and Restated Partnership Agreement to reflect the change in Managing General Partner.

10. On November 21, 2012, Sullivan asked me to sign a document that he sent to me. Attached hereto as Exhibit E is a copy of an e-mail from Mr. Sullivan to me dated November 21, 2012. Sullivan told me that "We are going back to the judge and ask for Steve Jacob to be the managing general partner to get our money back as soon as possible. This other firm attempted to take control by fraudulent means. We are going back to the judge in two weeks. I need this doc signed."

11. In response, I told Mr. Sullivan that I did not know who to trust. Attached hereto as Exhibit F is a copy of an e-mail from Mr. Sullivan to me dated November 23, 2012. Sullivan told me that "We can talk Monday."

12. On November 26, 2012, Sullivan said to "call us when you want." Attached hereto as Exhibit G is a copy of an e-mail from Mr. Sullivan to me dated November 26, 2012.

13. Later that day, on November 26, 2012, Sullivan e-mailed me and told me that the attached documents are what he needed signed. Attached hereto as Exhibit H is a copy of an email from Sullivan to me dated November 26, 2012, and attachments. Included with these documents were a letter from Steven Jacob to S&P Partner, a "Notice of Special Meeting of S&P Partners, and a Proxy. The purpose of these documents was to call a meeting whereby partners of S&P could vote to remove Margaret J. Smith as Managing General Partner.

14. Throughout the above time period, I received numerous phone calls from Mr. Sullivan. Mr. Sullivan told me that he was trying to reach out to partners for S&P. Mr. Sullivan said that he was soliciting votes from S&P Partners to remove Margaret D. Smith as Managing General Partner of S&P and replace her with Steven F. Jacob. Mr. Sullivan told me that if you do or do not believe me, it is up to you, but I have enough votes to remove Ms. Smith as Managing General Partner.

15. I had no reason not to believe Mr. Sullivan because I knew him and I trusted him.
FURTHER AFFIANT SAYETH NAUGHT.

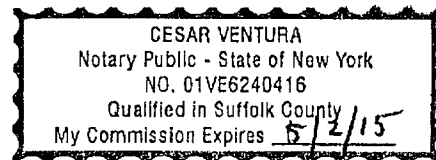
Steven Marinaro
STEVEN MARINARO

STATE OF NEW YORK)
 .SS
COUNTY OF SUFFOLK)

The foregoing instrument was acknowledged before me this 11th day of December, 2012 by
Steven Marinaro who is personally known to me or has produced as identification
Drivers License and did/did not take an oath.

Name: Cesar Ventura
(Notary Public)

(Affix Seal Below)



IN THE CIRCUIT COURT OF THE
SEVENTEENTH JUDICIAL
CIRCUIT, IN AND FOR BROWARD
COUNTY, FLORIDA
CASE NO.: 12-24051 (07)
COMPLEX LITIGATION UNIT

MATTHEW CARONE, as Trustee for the Carone
Marital Trust #2 UTD 1/26/00, Carone Gallery, Inc.
Pension Trust, Carone Family Trust, Carone Marital
Trust #1 UTD 1/26/00 and Matthew D. Carone
Revocable Trust, JAMES JORDAN, as Trustee for
the James A. Jordan Living Trust, ELAINE ZIFFER,
as individual, and FESTUS AND HELEN STACY
FOUNDATION, INC., a Florida corporation,

Plaintiffs,

v.

MICHAEL D. SULLIVAN, individually,

Defendants.

**CONSERVATOR'S MOTION FOR CONTEMPT AND TO COMPEL
TURNOVER OF PARTNERSHIPS' BOOKS, RECORDS AND
ELECTRONICALLY STORED INFORMATION**

Philip J. Von Kahle (the "Conservator"), as Conservator for P&S Associates, General Partnership ("P&S") and S&P Associates, General Partnership ("S&P") (together, the "Partnerships"), hereby files this Motion for Contempt and to Compel Defendant, Michael Sullivan ("Defendant"), to Turnover the Partnerships' Books, Records and Electronically Stored Information pursuant to this Court's January 17, 2013 Order Appointing Conservator (the "Conservator Order") and Fla. R. Civ. P. 1.380(b), and in support thereof states as follows:

Summary of Argument

Notwithstanding the express commands of the Conservator Order and Conservator's every effort, Defendant refuses to turn over information relative to the Partnerships. Worse, Defendant's feigned negotiations with the Conservator to work out a disclosure agreement have delayed the Conservator's efforts and interfered with his administration of the Conservatorship Property.



Defendant's willful violation of the Conservator Order ought not be countenanced. This Court should find Defendant in contempt and compel Defendant to provide the Conservator access to all information, electronic or otherwise, of or related to the Partnerships in his possession or control.

Background & Argument

On August 24, 2012, the plaintiffs filed their Verified Complaint against Defendant. The Verified Complaint alleged, among other things, that Defendant diverted millions of dollars from the Partnerships, used the Partnerships' assets to pay additional "management fees" and "commissions" to co-conspirators, and that Defendant seeks to prevent the Partnerships from vindicating their rights by maintaining a choke-hold on the information, assets, books and records of the Partnerships.

On January 17, 2013, this Court appointed the Conservator by entering its Conservator Order. The Conservator is tasked with, among other things, taking possession of all property of the Partnerships (the "Conservatorship Property") including all books, records and computer data, and reviewing, prosecuting, and investigating claims the Partnerships have, had or may have.

To aid the Conservator in his efforts, the Conservator Order required, among others, Defendant to "grant the Conservator unfettered access to any accounts, records, documents, files, plans, engineering reports, permits (whether expired or not), and computer equipment owned by the Partnerships." (Conservator Order at 2). Further, the Conservator Order states, "all persons are hereby enjoined from: (i) interfering in any manner with the management of the Conservatorship Property by the Conservator" (Conservator Order at 5).

On or about February 17, 2012, the Conservator met with Defendant. At such time, the Conservator requested turn over of all books, records and electronically stored information in Defendant's possession or control, including, among other things, information held or controlled by

Michael D. Sullivan Associates, Inc. and Sullivan & Powell a/k/a Solutions in Tax, Inc.¹ Defendant admitted to being in possession and control of certain information, but refused to turn over the electronically stored information on the purported account that it was comingled with unrelated and confidential information.

To allay Defendant's supposed concern, the Conservator dedicated resources to draft a form agreement that would allow the Conservator access to the necessary information and protect the alleged confidential information. From March 12, 2013, counsel for the Conservator and counsel for Defendant exchanged extensive correspondence and several draft versions of a proposed agreement.

However, on March 22, 2013, counsel for Defendant filed his motion to withdraw. Shortly thereafter, counsel for Defendant informed counsel for the Conservator that his client would not consent to the proposed agreement.

Defendant's pretended willingness to work in good faith with the Conservator to provide him vital information is a willful violation of this Court's Conservator Order.

Defendant ought to be held in contempt for violating the Conservator Order under Fla. R. Civ. P. 1.380(b) and compelled to provide the Conservator and his agents access to all electronically stored information of or related to, in any way, the Partnerships, including information held and controlled by Michael D. Sullivan Associates, Inc. and Sullivan & Powell aka Solutions in Tax, Inc, and authority to copy such information.

WHEREFORE, the Conservator respectfully requests the entry of an Order: (i) finding Defendant in contempt of court for willfully violating the Conservator Order; (ii) compelling Defendant to provide the Conservator and his agents access to all information, including all electronically stored information (including all electronic correspondence) in his possession and

¹ On March 15, 2012, the Conservator sent a formal letter to Defendant demanding turnover of, among other things, documents and electronically stored information of or relating to the Partnerships. A copy of the demand letter is attached hereto as Exhibit "A".

control or in the possession or under the control of Michael D. Sullivan Associates, Inc. and Sullivan & Powell aka Solutions in Tax, Inc. or any other entity over which Defendant exercises control, whether hard copy, stored on a hard drive, cloud, or otherwise, of or related to, in any way, the Partnerships; (iii) compelling Defendant to permit the Conservator and his agents to make copies of any and all hard drives or other storage devices (including cloud storage) upon which the Partnerships' information was or may have been stored and to cooperate in all respects with the Conservator and his agents such that all of the information is delivered, in their entirety, to the Conservator; and (iv) for such other and further relief as this Court deems reasonable and just.

Dated: April 10, 2013.

MESSANA, P.A.
Attorneys for Conservator
401 East Las Olas Boulevard, Suite 1400
Fort Lauderdale, FL 33301
Telephone: (954) 712-7400
Facsimile: (954) 712-7401

By: /s/ Thomas M. Messana
Thomas M. Messana, Esq.
Florida Bar No. 991422
Brett D. Lieberman, Esq.
Florida Bar No. 69583

Exhibit A

March 15, 2013

Mr. Michael Sullivan
3696 North Federal Highway, Suite 301
Fort Lauderdale, Florida 33308

RE: S&P Associates, General Partnership and P&S Associates, General Partnership

Dear Mike,

I wanted to follow up from our meeting a few weeks ago. I realize the events of Bernard L. Madoff Investment Securities, LLC. and the subsequent effects they have had on you and the S&P Partnership / P&S Partnerships (S&P / P&S) were, and are, tragic. It is evident to me from our meeting that you are fatigued and wish, as many do, for a quick closure to the process.

I also, seek an efficient and timely resolution of the process. In doing so, I need to verify that all of the speculation and doubts that have been lodged lack validity. If the questions that have been raised to the court are not answered, I am afraid that disbursements will be further delayed.

Accordingly, to reiterate the requests I made during our meeting, please send me the following information in order for me to complete my duties:

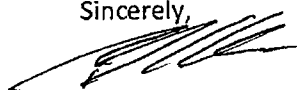
- All books and records of Michael D. Sullivan Associates, Inc.
- All books and records of Sullivan & Powell a/k/a Solutions in Tax, Inc.
- All accounting records pertaining to any fees received and disbursed as a result of your engagement or relationship with S & P / P & S.
- Immediate access to all computers (Mac and PC's) used for S&P and P&S
- A current personal financial statement

I am requesting this information be either delivered to me or ready for pick up at your office by noon on Wednesday, March 27th.

Lastly, at the suggestion of Chad Pugatch, I am offering to have another meeting should you wish to further discuss the S&P / P&S Partnerships. I will gladly modify my schedule to accommodate yours.

Again, I am sensitive to your position. I, however, am acting under the direction of the court to move this case(s) as rapidly as possible in order to get a distribution out to the general partners. Accordingly, I thank you in advance for your cooperation and assistance.

Sincerely,



Phil von Kahle
Conservator
CC: T. Messana
C. Pugatch

IN THE CIRCUIT COURT OF THE
SEVENTEENTH JUDICIAL
CIRCUIT, IN AND FOR BROWARD
COUNTY, FLORIDA
CASE NO.: 12-24051 (07)
COMPLEX LITIGATION UNIT

MATTHEW CARONE, et al.,
Plaintiffs,
v.
MICHAEL D. SULLIVAN, individually,
Defendants.

**CONSERVATOR'S SUPPLEMENT TO MOTION FOR CONTEMPT AND TO
COMPEL TURNOVER OF PARTNERSHIPS' BOOKS, RECORDS AND
ELECTRONICALLY STORED INFORMATION**

Philip J. Von Kahle (the "Conservator"), as Conservator for P&S Associates, General Partnership ("P&S") and S&P Associates, General Partnership ("S&P") (together, the "Partnerships"), hereby files this Supplement to Motion For Contempt and to Compel Defendant, Michael Sullivan ("Defendant"), to Turnover the Partnerships' Books, Records and Electronically Stored Information ("Supplement to Contempt Motion") pursuant to this Court's January 17, 2013 Order Appointing Conservator (the "Conservator Order") and Fla. R. Civ. P. 1.380(b), and in support thereof states as follows:

Summary of Argument

Despite the Conservator's every effort, this Court's orders, and the Defendant's several oral agreements, the Defendant and his affiliates continue not to provide the Conservator access to all electronically stored information relative to the Partnerships.

This Court should find Defendant in contempt and compel Defendant to provide the Conservator access to all information, electronic or otherwise, of or related to the Partnerships in his possession or control or under the control of affiliated and related entities.



Background & Argument

1. On April 10, 2013, the Conservator filed *Conservator's Motion for Contempt and to Compel Turnover of Partnerships' Books, Records and Electronically Stored Information* (the "Contempt Motion").

2. On April 18, 2013, this Court held a hearing where it considered, among others, the Contempt Motion (the "Contempt Hearing"). At the Contempt Hearing, the Defendant (again) and his affiliate, Steven Jacob ("Jacob"), stated that they would take all necessary steps to provide the Conservator access to all electronically stored information of or in any way related to the Partnerships located at 3696 Federal Highway, Suite 301, Ft. Lauderdale, FL 33308; the business office of Fresh Start Tax, LLC ("Fresh Start").¹ This agreement included providing the Conservator access to electronically stored information related to or controlled by, among others, Sullivan & Powell aka Solutions in Tax, Inc., Guardian Angel Trust, LLC, SPJ Investments, Ltd., Fresh Start, and Michael D. Sullivan & Associates, Inc.

3. Relying on the representations of the Defendant and Jacob, the Conservator understood that the Contempt Motion was resolved and that the information would be promptly made available.

4. Prompt delivery was particularity important as the electronically stored information is at risk of being overwritten and lost through the computers' normal operations. The risk of losing such information creates, or exacerbates, a spoliation issue that is of great concern.

5. On April 19, 2013, Dick Haslam ("Haslam"), Lumar Motta, and Bill Straka of Moecker ("Moecker Employees") visited the business offices of Fresh Start. The Moecker Employees were met by, among others, the Defendant and Jacob of Fresh Start, and Matt Elias who was introduced as Fresh Start's IT vendor.

¹ Jacob is, among other things, the registered agent and manager of Fresh Start and Defendant is an employee of Fresh Start who purports to store his 'personal computer' on the business premises.

6. The Defendant and Jacob refused to provide the Moecker Employees access to certain electronically stored information including, among other things: 1) fourteen (14) Windows desktop computers; 2) the Apple 'iCloud'; 3) one (1) Apple Desktop (referred to as Defendant's 'personal' computer); and 4) all smart phones.

7. Additionally, the Defendant and Jacob failed to provide: 1) a list of and access to all e-mail correspondence; and 2) a list of and access to all former and current laptop computers.

8. Haslam's Affidavit in Support of Motion for Contempt is attached hereto as **Exhibit "A"** (the "Affidavit").

9. For the reasons described in the Contempt Motion, this Supplement to Contempt Motion, and the Affidavit supporting same, the Defendant ought to be held in contempt for violating the Conservator Order under Fla. R. Civ. P. 1.380(b) and compelled to provide the Conservator and his agents access to and authority to backup and/or clone all electronically stored information of or related to, in any way, the Partnerships, including all information held and controlled by Sullivan & Powell aka Solutions in Tax, Inc., Guardian Angel Trust, LLC, SPJ Investments, Ltd., Fresh Start, and Michael D. Sullivan & Associates, Inc.

10. WHEREFORE the Conservator respectfully requests the entry of an Order: (i) finding Defendant in contempt of court for willfully violating the Conservator Order; (ii) compelling Defendant to provide the Conservator and his agents access to all information, including all electronically stored information (including all electronic correspondence) in his possession and control or in the possession or under the control of Sullivan & Powell aka Solutions in Tax, Inc., Guardian Angel Trust, LLC, SPJ Investments, Ltd., Fresh Start, and Michael D. Sullivan & Associates, Inc., or any other entity over which Defendant or his affiliates exercise control, whether hard copy, stored on a hard drive, cloud, or otherwise, of or related to, in any way, the Partnerships;

(iii) compelling Defendant to permit the Conservator and his agents to make copies of any and all hard drives or other storage devices (including cloud storage) upon which the Partnerships' information, or information relative to the Partnerships, was or may have been stored and to cooperate in all respects with the Conservator and his agents such that all of the information is delivered, in their entirety, to the Conservator; and (iv) for such other and further relief as this Court deems reasonable and just.

Dated: April 24, 2013

MESSANA, P.A.
Attorneys for Conservator
401 East Las Olas Boulevard, Suite 1400
Ft. Lauderdale, FL 33301
Telephone: (954) 712-7400
Facsimile: (954) 712-7401

By: /s/ Thomas M. Messana
Thomas M. Messana, Esq.
Florida Bar No. 991422
Brett D. Lieberman, Esq.
Florida Bar No. 69583

Exhibit “A”

IN THE CIRCUIT COURT OF THE
SEVENTEENTH JUDICIAL
CIRCUIT, IN AND FOR BROWARD
COUNTY, FLORIDA
CASE NO.: 12-24051 (07)
COMPLEX LITIGATION UNIT

MATTHEW CARONE, as Trustee for the Carone
Marital Trust #2 UTD 1/26/00, Carone Gallery, Inc.
Pension Trust, Carone Family Trust, Carone Marital
Trust #1 UTD 1/26/00 and Matthew D. Carone
Revocable Trust, JAMES JORDAN, as Trustee for
the James A. Jordan Living Trust, ELAINE ZIFFER,
as individual, and FESTUS AND HELEN STACY
FOUNDATION, INC., a Florida corporation,

Plaintiffs,

v.

MICHAEL D. SULLIVAN, individually,

Defendants.

/

AFFIDAVIT OF DICK HASLAM
IN SUPPORT OF MOTION FOR CONTEMPT

STATE OF FLORIDA)
) ss:
COUNTY OF BROWARD)

Before me, this date, personally appeared Dick Haslam, who being first duly sworn,
deposes and says:

1. I am over the age of 18 and competent to testify.
2. I am an employee of Michael Moecker & Associates, Inc. ("Moecker"), working
at the direction of Philip von Kahle, the court-appointed Conservator of S&P Associates, General
Partnership and P&S Associates, General Partnership in the above captioned case (the
"Conservator").
3. Prior to April 19, 2013, the Conservator tasked me with cloning and backing-up
all of the electronically stored information located at the Fresh Start Tax, LLC ("Fresh Start")

business premises with an address of 3696 Federal Highway, Suite 301, Ft. Lauderdale, FL 33308.

4. Upon information and belief, the electronically stored information is stored on, among other things:

- a. Two (2) Apple Desktops;
- b. Fifteen (15) Windows desktop PCs;
- c. The Fresh Start 'server';
- d. Apple 'iCloud' storage;
- e. Certain smart phones; and
- f. E-mail software storage systems.

5. On April 19, 2013, Lumar Motta and Bill Straka of Moecker, accompanied me to the business offices of Fresh Start to back-up and/or clone the devices upon which such information is stored.

6. We were met by, among others, Michael Sullivan and Steve Jacob of Fresh Start, and Matt Elias, their purported IT vendor.

7. Steve Jacob and Michael Sullivan refused to allow me access to certain of the computers and other electronically stored information.

8. As of the date of this Affidavit, my team was only permitted: 1) to backup and clone one Apple desktop, 2) to backup and clone one windows desktop; and 3) to backup the Fresh Start 'server'.

9. Sullivan and Jacob refused to provide me access to, among other things: 1) fourteen (14) windows desktop computers; 2) access to the Apple 'iCloud'; 3) one (1) Apple Desktop (referred to as Sullivan's 'personal' computer); and 4) all smartphones.

10. Further, Sullivan and Jacob failed to provide me: 1) a list of and access to all e-

mail correspondence; and a list of and access to all former and current laptop computers.

FURTHER AFFIANT SAYETH NAUGHT.


Dick Haslam

SWORN TO AND SUBSCRIBED before me this 23rd day of April, 2013, by Dick Haslam who is personally known to me or produced identification drivers license and who did take an oath.


NOTARY PUBLIC, STATE OF FLORIDA

NANCY BARRUS
(Print, Type or Stamp Commissioned Name of
Notary Public)



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

CASE NO. 12-24051 (07)

COMPLEX LITIGATION UNIT

MATTHEW CARONE, as Trustee for the Carone Marital Trust #2 UTD 1/26/00, Carone Gallery, Inc. Pension Trust, Carone Family Trust, Carone Marital Trust #1 UTD 1/26/00 and Matthew D. Carone Revocable Trust, JAMES JORDAN, as Trustee for the James A. Jordan Living Trust, ELAINE ZIFFER, an individual, and FESTUS AND HELEN STACY FOUNDATION, INC., a Florida corporation,

Plaintiffs,

v.

MICHAEL D. SULLIVAN, individually,

Defendant.

NOTICE OF FILING

Berger Singerman LLP, by and through its undersigned counsel, hereby files the document attached hereto as Exhibit A:

1. Letter from Steven F. Jacob dated April 22, 2013, to Partners of S&P Associates, General Partnership and P&S Associates, General Partnership (collectively, the "Partnerships"), regarding "Call to Action," wherein, *inter alia*, (i) Mr. Jacob identifies himself as "Steven F. Jacob, S&P Managing General Partner," despite this Court's Order Appointing Conservator dated January 17, 2013, which ordered that "all persons are hereby enjoined from . . . acting or purporting to act on behalf of the Partnerships, Conservatorship Property, and/or the Conservator" and (ii) Mr. Jacob states "Please contact Judge Streitfeld, in writing, and let him know you oppose paying any fees not authorized by the partnership."

Dated: May 9, 2013

Respectfully Submitted,

BERGER SINGERMANN LLP
350 East Las Olas Boulevard, Suite 1000
Fort Lauderdale, FL 33301
(954) 525-9900 Telephone
(954) 712-5138 Direct
(954) 523-2872 Facsimile

By: s/ Leonard K. Samuels
Leonard K. Samuels
Florida Bar No. 501610
Etan Mark
Florida Bar No. 720852

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this on this 9th day of May, 2013, a true and correct copy
of the foregoing was sent via U.S. Mail and/or Electronic Mail to

Burt Moss, 1675 N. Military Trail, Suite 570, Boca Raton, FL 33486;
Scott Holloway, 55 Cayuga Road, Sea Ranch Lakes, FL 33308;
Steven Jacob, 3696 North Federal Highway, Fort Lauderdale, FL 33308;
Paroquia de Santa Luzia, c/o Fr. John Fitzpatrick, 1133 Broadway, Millbrae, CA 94030;
Mary V. Dunham, 1002 Gramerly Lane, Orlando, FL 32821;
Joseph A. Speizio, 39 Woodlot Road, Ridge, NY 11961;
Chad P. Pugatch, Esq., cpugatch@rprslaw.com;
Erika D. Rothart, Esq., edrothart@dralfirm.com;
William G. Salim, Jr., Esq., wsalim@mmsslw.com; cleibovitz@mmsslw.com;
Gary C. Rosen, Esq., grosen@becker-poliakoff.com;
Domenica L. Frasca, Esq., dfrasca@mayersohnlaw.com;
Peter Smith, Esq. and Helen D. Chaitman, Esq., Becker & Poliakoff, LLP, 45 Broadway,
8th Floor, New York, NY 10006;
Philip J. von Kahle, philipvonkahle@moecker.com;
Brett D. Lieberman, Esq., blieberman@messana-law.com;
Helen Chaitman, Esq., Becker & Poliakoff, LLP, 45 Broadway, 8th Floor, New York, New York
10006;
Frank C. Walker, Stuart & Walker, P.A., 1301 East Broward Boulevard, Suite 220, Fort
Lauderdale, FL 33301;
Chad Pugatch, Esq., Rice Pugatch Robinson & Schiller, 101 NE 3rd Ave., Ste. 1800, Fort
Lauderdale, Florida 33301;
Michael D. Sullivan 6550 N. Federal Highway, Ste. 210, Fort Lauderdale, Florida 33308
Michael Sullivan, 3696 North Federal Highway, Fort Lauderdale, FL 33308

By: s/ Leonard K. Samuels
Leonard K. Samuels

S&P and P&S Associates, General Partnerships

1755 NE 52 Street
Fort Lauderdale, FL. 33334

Steven F. Jacob, S&P Managing General Partner

Telephone (954) 848-1798
Fax (954) 938-0000

guardianangeltrust@msn.com

April 22, 2013

S&P and P&S Partners

RE: Call to Action

Dear Partner:

The purpose of this letter is to give you current information and request a call to action from all partners.

The following facts are known and confirmed by all parties:

1. There is no money missing, all dollars invested are accounted for.
2. A conservator has been appointed by the court to wind down both partnerships and distribute available funds.
3. There is currently an approximate amount of Five (5) million dollars available to distribute to partners and additional funds are expected from the Madoff Trustee.
4. On April 18, 2013 a hearing was held to approve fees for professionals involved in the administration of the Partnerships. The conservator is requesting approval to pay over \$165,000.00 in unauthorized fees. I filed an objection, with the Court to fees unauthorized by the Partnership.

In mid January, a conservator was appointed by the court to handle the affairs of both S&P and P&S partnerships. The court directed the conservator to wind down the affairs of the partnership and proceed with the court proceeding to determine the distributions to the partners. Once the court makes the decision on how to distribute the funds, the conservator is to make distributions to the partners. The Judge has asked this to be done by September 2013.

In addition to the unauthorized fees (\$165,000.00) presented to the court, the conservator has presented a budget to the Judge for 2013, which states that he and his attorney anticipate receiving almost \$400,000.00. These fees appear very high to compensate the attorney and conservator for just one year of service. Further they seem high, based on the Judges instructions to distribute the funds by September 2013.

The call to action for all partners is two-fold. First please pray for all parties involved to make sound decisions that benefit the partners, as the partners are the victims of the Madoff fraud. Second, get **involved!** Decisions are being made that have a direct effect on the amount each partner will receive.

EXHIBIT

tabbies

A

S&P and P&S Associates, General Partnerships

1755 NE 52 Street
Fort Lauderdale, FL. 33334

Telephone (954) 648-1796
Fax (954) 938-0069

Steven F. Jacob, S&P Managing General Partner

guardianangeltrust@msn.com

April 22, 2013
Page 2

The Judge only knows what he hears and right now the professionals are doing most of the talking and most of that talk appears to be how much they can make. It is time he hears the partners. Each of you has a stake in this. Don't stand by and let the money that is meant for partners to be spent on unauthorized and unnecessary fees.

Please contact Judge Streitfeld, in writing, and let him know you oppose paying any fees not authorized by the partnership. Since funds belonging to the partnership are available, please make the judge aware that you wish the conservator to distribute proceeds as soon as possible so the funds won't all be lost on unnecessary professional fees. This would cause partners victimized by Madoff to be victimized again.

Due to the April 29 due date, you can fax or email your reply to me and I will forward all I receive to the Judge on Friday April 27. My fax number is (954) 938-0069. Regardless of whether or not you fax me, please mail a hard copy of your objection to unauthorized fees directly to the Judge at:

The Honorable Judge Jeffrey D. Streitfeld
Broward County Courthouse
201 SE 6th Street, Room 920A
Fort Lauderdale, Florida 33307

If needed, the number and name of Judge Streitfeld's judicial assistant is Suzanne Tracy at (954) 831-7809.

If you have questions my contact information is guardianangeltrust@msn.com or you can call me at (954) 648-1796. If you have an email please send me an email with it to keep your contact information up to date.

Sincerely,



Steven F. Jacob, CPA
Managing General Partner of S&P

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

CASE NO. 12-24051 (07)
COMPLEX LITIGATION UNIT

MATTHEW CARONE, as Trustee for the Carone
Marital Trust #2 UTD 1/26/00, Carone Gallery, Inc.
Pension Trust, Carone Family Trust, Carone Marital
Trust #1 UTD 1/26/00 and Matthew D. Carone
Revocable Trust, JAMES JORDAN, as Trustee for
the James A. Jordan Living Trust, ELAINE
ZIFFER, an individual, and FESTUS AND HELEN
STACY FOUNDATION, INC., a Florida
corporation,

Plaintiffs,

v.

MICHAEL D. SULLIVAN, individually,

Defendant.

**BERGER SINGERMAN LLP'S OMNIBUS RESPONSE TO THE OBJECTIONS TO THE
CONSERVATOR'S FEE REPORT FILED BY MICHAEL SULLIVAN, BURT MOSS,
AND STEVEN JACOB**

Berger Singerman LLP ("Berger Singerman") files this Omnibus Response to the Objections to the Conservator's Fee Report filed by Michael Sullivan ("Sullivan"), Burt Moss ("Moss"), and Steven Jacob ("Jacob"). For the reasons stated below, Sullivan's, Moss's, and Jacob's objections should be denied, and, in support thereof, Berger Singerman states as follows:

BACKGROUND

Berger Singerman's and GlassRatner's relationship with P&S Associates, General Partnership ("P&S") and S&P Associates, General Partnership ("S&P") (collectively, the "Partnerships") began when Berger Singerman was retained by a group of partners acting for the

benefit of the Partnerships (the “Organizing Partners”). The Partnerships were formed in approximately 1994 to invest funds that the Partnerships received from its partners with Bernard L. Madoff Investment Securities, LLC (“BLMIS”). However, after BLMIS was exposed as a \$65 billion Ponzi scheme, a discrepancy was found between the funds invested by the partners in the Partnerships and the funds that were invested with Madoff.

As a result, the Organizing Partners retained Berger Singerman – at a reduced rate – in April 2012 to request the books and records of the Partnerships, to determine the reason for the discrepancy, and, if necessary, implement efforts to remove the Managing General Partners. Although the billing rates of Berger Singerman attorneys, at that time, ranged from \$225.00 per hour to \$625.00 per hour, Berger Singerman agreed to cap all attorneys’ fees at a maximum of \$300.00 per hour. The invoices submitted to the Conservator reflect that Berger Singerman continued that deeply discounted hourly fee structure at all times.

Pursuant to the Partnerships’ Partnership Agreements¹, Sullivan and Greg Powell² were the managing general partners of the Partnerships. Beginning in April 2012, Berger Singerman began requesting the Partnerships’ books and records from Sullivan. Only after significant intransigence, Sullivan turned over an incomplete set of documents. Then, with the help of GlassRatner, Berger Singerman undertook an extensive forensic analysis of those documents to determine what caused the discrepancy between the funds invested by the partners and the funds invested with Madoff. The analysis discovered various improprieties that were perpetuated upon the Partnerships and its partners. To prevent further harm, it was decided that Sullivan must be replaced.

¹ The Partnerships’ partnership agreements are identical in all material respects and are collectively referred to as the Partnership Agreements. The Partnership Agreements are attached as **Exhibit A**.

² Greg Powell is deceased.

Based on the various improprieties uncovered, special meetings of the Partnerships were held on August 17, 2012 (the “special meetings”) to vote on replacing Sullivan as the Managing General Partner with Margaret J. Smith (“Smith”) – a well-known certified public accountant and certified fraud examiner – and amending the Partnership Agreement to reflect that change. Those meetings required extensive review of the Partnership Agreements and the books and records to ascertain the proper method for calling and conducting a vote to remove Sullivan and the identity of the partners of each Partnership who were entitled to notice and to vote. At the special meetings, a majority of the outstanding Partnership interests voted in favor of replacing Sullivan with Smith and amending the Partnership Agreements to reflect that change. Attached hereto as **Exhibit B** are the minutes of the special meeting of S&P on August 17, 2012; attached hereto as **Exhibit C** are the minutes of the special meeting of P&S on August 17, 2012.

Despite the vote, Sullivan’s strategy of imposing obstacles at every turn continued. He initially refused to step down and challenged the legitimacy of the vote. The Organizing Partners had no choice but to commence the instant litigation against Sullivan to enforce the vote of the Partners and protect the Partnerships. On August 24, 2012, the Organizing Partners commenced a civil action against Sullivan in this Court. That action sought, among other things, temporary injunctive relief to prevent Sullivan from interfering with the operation of the Partnerships or, alternatively, the appointment of a receiver.

Five days after the action was filed, Sullivan, who was represented by counsel, agreed to resign as Managing General Partner. On August 29, 2012, this Court entered an Agreed Order between the Organizing Partners, acting on behalf of the Partnerships, and Sullivan. A copy of the Agreed Order is attached hereto as **Exhibit D**. Pursuant to that order, Sullivan resigned as Managing General Partner and Smith was deemed in his stead to be sole Managing General

Partner of the Partnerships. *Id.* Smith, as managing general partner, was given “full access to all of the Partnership’s books, records, assets and property and will be afforded all of the rights and duties of a Managing General Partner. . .” *Id.* Furthermore, Sullivan agreed that “he does not now and will not in the future challenge the appointment of Ms. Smith as Managing General Partner on August 17, 2012.” *Id.* On August 30, 2012, Smith, as Managing General Partner of the Partnerships, signed an agreement to engage Berger Singerman to act as legal counsel for the Partnerships. That should have been the end of the matter.

Surprisingly, Helen Chaitman (“Chaitman”) and her law firm, Becker & Poliakoff, LLP (“Becker Poliakoff”), refused to honor this Court’s Agreed Order, dragging the Partnerships into further litigation. Prior to his replacement and resignation, Sullivan retained Chaitman and her firm, as counsel to the Partnerships in connection with litigation against the Madoff Trustee. As a result of a settlement agreement reached there, Becker Poliakoff received funds that were to be disbursed to the Partnerships and then to their partners. Nine days after the special meeting electing Smith as Managing General Partner, a lawsuit initiated in Palm Beach County to determine the appropriate manner of distributions to partners (that, through the efforts of Berger Singerman, was transferred to this Court) was amended, without any apparent authority, to include a challenge to the vote electing Smith.

Berger Singerman incurred further fees and expenses on behalf of the Partnerships because Chaitman forced the commencement of additional litigation. By letter dated September 4, 2012, Smith, as Managing General Partner of the Partnerships, terminated Chaitman and Becker Poliakoff as counsel to the Partnerships and demanded that they return all funds belonging to the Partnerships. They refused to do so. Accordingly, on September 7, 2012, the Organizing Partners, through Berger Singerman, filed a motion to compel Sullivan and Chaitman

to immediately relinquish any partnership property that they were holding. On September 13, 2012, this Court heard argument from Berger Singerman on that motion, which Chaitman opposed. The Court deferred consideration of the motion. As a result, Chaitman continued to hold all the Partnerships' funds hostage.

Meanwhile, the former Managing General Partners' defalcations over a 20-year period suggested the Partnerships had claims against those Managing General Partners (like Sullivan), partners who received improper distributions, and other individuals (like Jacob). It was important that the Partnerships have the ability to pursue these potential claims and potentially obtain reimbursement for any monies improperly gained from the Partnerships. Identifying those claims required substantial research, and as of December 2012, the statute of limitations on those claims was potentially drawing to a close.³ However, without the Partnerships' funds, the Partnerships could not operate and commence litigation against those individuals. Moreover, Chaitman continued to challenge Smith's appointment as Managing General Partner, even though Sullivan had agreed not to do so under the Agreed Order. Accordingly, on November 13, 2013, Berger Singerman filed a Motion to Appoint Receiver through the Organizing Partners seeking that Smith be appointed as receiver to manage P&S and S&P. That motion was inexplicably opposed by Chaitman, who at this point, represented absolutely no one in connection with the underlying proceedings.

Despite the uncertainty as to the outcome of the Motion to Appoint a Receiver, Berger Singerman continued to incur fees and costs on behalf of the Partnerships. Specifically, at the direction of Smith, as Managing General Partner, Berger Singerman prepared, and then filed on December 10, 2012, complaints against those partners who received improper distributions from

³ The Partnerships do not and have not conceded that the statute of limitations to bring any claims expired in December 2012.

the Partnerships. Berger Singerman additionally prepared, and filed on December 10, 2012, a complaint against various individuals (including Sullivan and Jacob) who appear to have profited improperly from the Partnerships through, *inter alia*, receiving improper “management fees,” “commissions,” or “referral fees.” Without these efforts, the Partnerships’ claims may have lapsed and the Partnerships would potentially not be entitled to any recovery.

The Court agreed that it was necessary to appoint a Conservator for the Partnerships, despite extensive argument in opposition. Berger Singerman incurred considerable expenses in researching, preparing, and pursuing papers to protect the Partnerships’ claims and to appoint a Conservator for the Partnerships. Nonetheless, due to Chaitman’s inexplicable opposition to the Partnerships’ best interests, a morass of ongoing litigation related to the Partnerships remained in the courts of Broward County. Berger Singerman incurred additional fees and costs by working to transfer all such actions to this division. Additionally, Berger Singerman incurred additional fees and costs by preparing the initial draft of the Order Appointing Conservator, which was circulated for comment among the various parties. On January 17, 2013, this Court signed the Order Appointing Conservator (the “Conservator Order”) after comment from the various parties who appeared by counsel (including Moss, Sullivan, and Jacob) – even though Chaitman opposed it.

Without the costs and fees incurred by Berger Singerman on behalf of the Partnerships, a Conservator would not have been appointed, the assets of the Partnerships would have been depleted, and significant litigation opportunities would have dissipated.

On April 1, 2013, the Conservator filed his Conservator’s Fee Report (the “Report”). The Report made a series of recommendations regarding the reasonableness of fees and costs that were incurred on behalf of the Partnerships by various parties. Among the parties that

sought reimbursement for fees and costs are Berger Singerman and GlassRatner. Although Berger Singerman incurred (and is entitled to) \$172,321.71 worth of fees and costs for work related to the Partnerships over the past year, which fees were charged at a significantly reduced rate, Berger Singerman has agreed to an additional 25% discount on these fees, for a total fee request of \$125,000. Similarly, GlassRatner voluntarily reduced their fee request from \$44,675.95 to \$27,552.00 – a write-off of approximately 38%. The Conservator recommended approval of the Berger Singerman's fee request in the amount of \$125,000 and GlassRatner's fee request in the amount of \$27,552.00.

Moss, Jacob, and Sullivan are now objecting to the Conservator's recommendations regarding Berger Singerman and GlassRatner. Moss has set forth 16 meritless objections. Jacob's and Sullivan's objections are largely duplicative of those objections. As set forth below, all their objections should be overruled.

First Objection

Moss's first objection⁴ is that the Partnership Agreements contain an arbitration clause and therefore the instant lawsuit should not have been filed against Sullivan in August 2012.

As set forth above, this action was filed against Sullivan almost eight months ago for, *inter alia*, temporary injunctive relief to immediately prevent Sullivan from further harming the Partnerships. The lawsuit was necessary to maintain the status quo of the Partnerships and prevent any further harm because Sullivan was legitimately replaced by Smith as Managing General Partner and he refused to turn over the Partnerships' books and records, as well as access to the Partnerships' bank accounts and other resources. *See Korn v. Ambassador Homes, Inc.*, 546 So. 2d 756, 757 (Fla. 3d DCA 1989) ("a temporary injunction is proper to maintain the

⁴ Jacob's and Sullivan's joinder of Moss's objections or their independent objections will be indicated when appropriate.
4971005-3

status quo, as here, pending the outcome of an arbitration claim”); *but see Rath v. Network Mktg., L.C.*, 790 So. 2d 461, 463 (Fla. 4th DCA 2001).

Additionally, even if this action should not have been filed because of any arbitration clause, “a party may waive his contractual right to arbitration by actively participating in a lawsuit or by taking action inconsistent with that right.” *Rath*, 790 So. 2d at 463.

Any right to arbitration was waived by active participation in litigation. When this action was filed, Sullivan was represented by counsel. The Partnerships were also represented by counsel. Any argument that this action should proceed in arbitration should have been made at the appropriate time. It was not. Instead, in response to this action, Sullivan – while represented by counsel – entered into the Agreed Order. By the Agreed Order, Sullivan, *inter alia*, resigned as Managing General Partner of the Partnerships and Sullivan consented to the appointment of Smith as Managing General Partner in his stead. *See* Exhibit D. Since the Agreed Order, Sullivan, various Partners (including Moss and Jacob), the Partnerships themselves, and numerous other law firms representing various parties have been actively engaged in litigation surrounding the Partnerships, and any contractual right to arbitration has been waived.

Moreover, the failure of counsel or any Partner to raise an argument up to this point regarding the propriety of this action in light of any arbitration clause (if one could even have made), and pursue such an argument, is not the fault of Berger Singerman, GlassRatner, or their clients. Nor does such an argument change the fact that any fees incurred through the actions of Berger Singerman and GlassRatner were incurred on behalf of the Partnerships.

Second Objection

Moss’s second objection stems from a misreading of Article 8.03 of the Partnership Agreement, a misreading of Fla. Stat. 620.8401, and a misunderstanding of relevant facts.

First, Moss argues that Article 8.03 prevented the Organizing Partners from initially engaging Berger Singerman and GlassRatner on behalf of the Partnerships because they could not execute an agreement for the Partnership without the consent of the Managing General Partner or all of the other Partners. Sullivan joins this objection. *See* Sullivan Objections ¶ 11.

Article 8.03 states “[W]ithout the prior consent of the Managing General Partners 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.”

As set forth above, and contrary to Moss’s and Sullivan’s objection, Article 8.03 does not prevent the Organizing Partners from executing an agreement and taking action to save the Partnerships’ assets on behalf of the Partnerships because the Partnerships could not do so themselves. Article 8.03 does not state that *partners* are prohibited from executing an engagement agreement with Berger Singerman and/or GlassRatner.

Second, Fla. Stat. § 620.8401(10) states that “A difference arising as to a matter in the ordinary course of business of a partnership may be decided by a majority of the partners. An act outside the ordinary course of business of a partnership and an amendment to the partnership agreement may be undertaken only with the consent of all of the partners.” Based on Fla. Stat. § 620.8401(10), Moss argues the “hiring of [Berger Singerman] and [GlassRatner] did not have the approval of all the partners.” Moss Objection ¶ 2. To the extent covered, the Partnership Agreement would govern these matters, and not Fla. Stat. Ann. § 620.8401(10). Nevertheless, there is no prohibition in Fla. Stat. § 620.8401(10) that the Organizing Partners could not initially engage Berger Singerman or GlassRatner by themselves or act for the benefit of the Partnerships.

Third Objection

Moss's third objection is that Berger Singerman and GlassRatner were allegedly engaged improperly by the Organizing Partners because they were not engaged with the consent of the Managing General Partner or all the Partners under Article 8.02 of the Partnership Agreement.

As set forth above, Berger Singerman and GlassRatner were initially retained by the Organizing Partners, not the Partnerships. The Partnership Agreement and Section 8.02(a) do not prevent the Plaintiffs from retaining Berger Singerman and GlassRatner themselves.

Fourth Objection

Moss's fourth objection is a request to find the Organizing Partners in default of the Partnership Agreement under Article 10.01(b). However, any default under Article 10.01(b) requires "the violation of any of the other provisions of [the Partnership Agreement] *and failure to remedy or cure that violation within (10) days after written notice of the failure from the Managing General Partners*" (emphasis added).

Here, there was no violation of any provisions of the Partnership Agreement. Additionally, any default under 10.01(b) requires, *inter alia*, "written notice of the failure from the Managing General Partners." Because Moss is not the Managing General Partner of the Partnerships, he has no standing to make the written notice required to default any partner of the Partnerships. Accordingly, this "objection" has no merit.

Fifth Objection

Fifth, Moss argues that Section 14.03 of the Partnership Agreement limits the liability of Partners due to "several factors" and the retention of Berger Singerman and GlassRatner "should be subject to this provision" such that any fees due does not reduce amounts due to the Partners.

Section 14.03 is a provision that limits the liabilities of the Partners for certain good faith actions or omissions. Yet, the Partners are liable under Section 14.03 for acts and/or omissions

involving intentional wrongdoing, fraud, and breaches of fiduciary duties of care and loyalty. In relevant part, it provides:

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 OMISSIONS BELIEVED IN GOOD FAITH TO BE WITHIN THE SCOPE OF AUTHORITY CONFERRED BY THIS AGREEMENT. THE PARTNERS SHALL BE LIABLE ONLY FOR ACTS AND/OR OMISSIONS INVOLVING INTENTIONAL WRONGDOING, FRAUD, AND BREACHES OF FIDUCIARY DUTIES OF CARE AND LOYALTY . . .

Here, Moss's proposed interpretation of Section 14.03 would run contrary to numerous other provisions of the Partnership Agreement. For example, if the limitations on the Partners' liability were to prevent the payment of fees and expenses incurred on behalf of the Partnerships, then that provision would necessarily prevent the Managing General Partner from taking actions and incurring expenses that are necessary to carry out the duties of the Partnerships, which the Partnership Agreements authorize. Additionally, Section 12.02 specifically indicates that when distributing assets of the Partnerships upon termination, any outstanding Partnership liabilities are to be paid first, and then distributions of Partners' capital in accordance with their Partnership interest. Accordingly, any fees and costs incurred on behalf of the Partnerships are given precedence over any Partners' claims to the Partnership's assets. Moss seeks to reverse this order. Moss's reading of Article 14.03 is untenable given that it would conflict with a number of other provisions of the Partnership and would make operation of the Partnerships impossible. *See Discover Prop. & Cas. Ins. Co. v. Beach Cars of W. Palm, Inc.*, 929 So. 2d 729, 732 (Fla. 4th DCA 2006) ("If possible, conflicting provisions of a contract are to be read in such a way as to give a reasonable interpretation and effect to all provisions").

Sixth Objection

Moss' sixth objection concerns only GlassRatner. His objection is that Carol Fox, of GlassRatner, did not disclose that she and her family were Partners in S&P during the special meetings, and that she allegedly had four conflicts of interest as a result of that relationship. This objection is wholly without merit.

First, during the special meeting of S&P, Ms. Fox stated "I'm Carol Fox. I'm not a direct partner in S&P, but my children are." *See* Exhibit B at p. 89. Therefore, Ms. Fox disclosed her relationship to S&P, and Moss's objection to the contrary is frivolous.

Next, the first of Moss's four additional alleged conflicts of interest is that Ms. Fox "had a vested interest in the claims of the S&P Partnership as opposed the P&S Partnership. P&S Partners needed to this." Moss Objection ¶ 6. This alleged conflict is meritless. As set forth above, Ms. Fox disclosed her relationship to S&P. Moss admits that Ms. Fox had no "vested interest" in the claims of the P&S Partnership and he has provided no reason why P&S partners needed to separately know her families' relationship to S&P. Nonetheless, Moss was present at both the special meeting of S&P and the special meeting of P&S and was therefore aware of Ms. Fox's relationship to the Partnerships. *See* Exhibits B and C.

The second and fourth alleged conflicts of interest appear to be, in short, that Ms. Fox would be compensated directly if her firm was engaged by the Partnerships and that Ms. Fox was allegedly motivated to recoup her losses in the Partnerships through her fees.

As set forth above, Ms. Fox disclosed her relationship to the Partnerships. Additionally, Ms. Fox introduced herself at both the S&P and P&S meetings, it was disclosed that GlassRatner would be performing the forensic work related to the Partnerships, and Ms. Fox gave a brief summary of the work GlassRatner had performed at that time and their findings. *See* Exhibits B at p. 101 and C at p. 70. Moreover, all those in attendance were given the opportunity to ask

questions, including Moss. *See* Exhibits B and C. Accordingly, Moss and others were on notice at all relevant times of Ms. Fox's relationship to the Partnerships, her relationship to GlassRatner, and her relationship to the work being performed.

The final alleged conflict is that Ms. Fox's hours accounted for 55% of the hours from which GlassRatner was seeking to recover fees and costs. Moss does not indicate why this amount is improper and fails to indicate why any of the time that Ms. Fox spent was unreasonable.

Seventh and Eighth Objections

Moss's seventh and eighth objections again relate to whether Berger Singerman should be compensated for work it did while representing the Organizing Partners.

As stated above, at the time of the special meetings, the Organizing Partners retained Berger Singerman, and not the Partnerships, because Sullivan was still clinging to control of the Partnerships. As set forth above, any costs and fees incurred by Berger Singerman and GlassRatner were incurred on behalf of the Partnerships. That Berger Singerman was initially retained by the Organizing Partners and/or the fact that Berger Singerman initially had a valid attorney-client relationship with the Organizing Partners, does not change this fact.

Ninth and Tenth Objections

Moss's ninth and tenth objections are a challenge to legitimacy of the special meetings that replaced Sullivan with Smith as the Managing General Partner of the Partnerships. Jacob joins in this objection. *See* Jacob Objection ¶ 2.

First, the special meetings were properly conducted and Sullivan was legitimately replaced with Smith as the Managing General Partner of the Partnerships. Based on the various improprieties discovered, the special meetings were held to remove Sullivan as Managing

General Partner and replace him with Smith, and to amend the Partnership Agreements to reflect that change. During the special meeting for each of the Partnerships, a majority of the outstanding Partnership interests voted in favor of replacing Sullivan as the Managing General Partner with Smith and amending the Partnership Agreement to reflect that change. The minutes of the special meetings demonstrate that the election results were proper. *See* Exhibits B and C.

Moss, Jacob, and all other partners of the Partnerships had ample opportunity to challenge the legitimacy of the August 17, 2012 election, and they did not do so. Moss and Jacob attended the special meetings of S&P and P&S and participated in those meetings. *See* Exhibit B at p. 88:20-23 and C at pp. 56:17, 58:20-21. Moreover, it was specifically stated during the special meeting for S&P that the special meeting could be challenged in the appropriate forum. *Id.* at p. 94. No one did so. Moss, Jacob, and others should be estopped from re-litigating these issues more than 8 months after the elections.

Should the Court wish the parties to provide additional information regarding the special meetings, Berger Singerman respectfully requests the opportunity to fully brief this issue.

Eleventh Objection

Moss's eleventh objection is that Berger Singerman's fees are allegedly unreasonable and because "on every occasion that [Moss] attended ranging from the disputed elections on 8/17/2012 to the most recent hearing on 4/18/2013 the Berger, Singerman law firm has had three to five attorneys attending . . ." Moss Objection ¶ 11.

First, there is nothing *per se* unreasonable with multiple attorneys attending and billing for the special meetings, any court conferences, and any hearings. For example, the special meetings required i) litigation attorneys familiar with the findings related to Sullivan and the Partnerships and ii) corporate attorneys familiar with the necessities required to ensure the

legitimacy of those special meetings. Due to the complex nature of these meetings, and the multiple interests involved, there was nothing unusual about multiple attorneys attending. *See In re Marketxt Holdings Corp.*, 06 CIV. 6695 (LBS), 2007 WL 1040422, *4 (S.D.N.Y. Apr. 3, 2007) (finding fees reasonable because “multiple attorneys were needed at hearings due to the complex nature of the contempt hearing”). Similarly, to the extent that multiple attorneys were present at court hearings, there is nothing unreasonable about this arrangement given the complexity of the court hearings, nor is it “padding the bill.”

Furthermore, as noted above, Berger Singerman’s fees and costs incurred in this action were dramatically reduced. With respect to the special meeting, the hourly rates for two of the attorneys present at the special meetings were reduced by 50% or more because Berger Singerman agreed to cap all attorneys’ fees at a maximum of \$300.00 per hour. Berger Singerman later agreed to reduce the fees it was entitled to even further. The real basis for Defendants’ objections is not any dispute with the fees incurred, but is an attempt to eliminate the people who know the most about the claims against Sullivan and others.

Twelfth Objection

Moss’s twelfth objection relates to the two lawsuits that Berger Singerman filed in December 2012 to preserve the Partnerships’ claims against certain partners and other bad actors in light of the potentially looming statute of limitations. Berger Singerman incurred fees and costs preparing and filing those lawsuits, and Berger Singerman has sought reimbursement from the Partnerships for those fees and costs.

The Conservator recently filed a motion to retain Berger Singerman as counsel for those two lawsuits on a contingency fee basis. That motion is pending before this Court. Moss argues that any attorney’s fees and costs incurred by Berger Singerman related to those two lawsuits

should be subject to the contingency fee agreement and should not be reimbursed on an hourly basis. That result would be inequitable.

As set forth above, aside from the Partnerships' funds that were previously being held hostage by Chaitman, the only remaining assets of the Partnerships were lawsuits that the Partnerships could have filed against certain bad actors and partners who received amounts from the Partnerships that they were not entitled to. The statute of limitations for those lawsuits may have been rapidly drawing to a close in December 2012. The urgency of the situation was even more pressing because Sullivan refused to sign a tolling agreement that would allow the Partnerships to assert claims at a later date.

As a result, and in order to preserve lawsuits for the Partnerships that may potentially recover assets of the Partnerships, Berger Singerman incurred fees and costs -- at a substantially discounted rate -- to prepare and file those lawsuits. That work was not subject to any agreement regarding a contingency fee arrangement. To now subject the fees and costs incurred to prepare those lawsuits to the contingency agreement would be inequitable given that Berger Singerman acted in good faith and prepared those lawsuits for the benefit of the Partnerships.

Thirteenth Objection

Moss's thirteenth objection is not an objection to Berger Singerman's or GlassRatner's applications for reimbursement. Berger Singerman defers to the Conservator on this matter.

Fourteenth Objection

Moss's objection here is that there is no basis for Berger Singerman and GlassRatner to request reimbursement for any fees at all. Jacob joins in this objection. Jacob Objection ¶ 1.

First, the parties previously agreed on the method of seeking reimbursement and determining who would be able to seek reimbursement. The Conservator Order specifically

allows “any accountants, attorneys, consultants and other professionals that have purported to incur costs and fees on behalf of the Partnerships prior to the date of this Order may submit an application . . . to be reimbursed by the Partnerships for those amounts.” Moss, Sullivan, and Jacob were previously represented by the same counsel. Their counsel had the opportunity to review and make comments to the proposed Conservator Order prior to its submission to this Court. They did so without any objections to the final Order that was submitted to this Court. Therefore, they should be estopped from objecting to it now.

Second, Moss argues that the Conservator’s citation to *Florida Patient’s Compensation Fund v. Rowe*, 472 So.2d 1145 (Fla.1985) does not establish that Berger Singerman and GlassRatner are entitled to request attorney’s fees. However, Moss is confusing the issue. That case is not cited to establish any entitlement to request attorney’s fees. Instead, “*Florida Patient’s Compensation Fund v. Rowe*, 472 So.2d 1145 (Fla.1985), sets forth the method that trial courts use for calculating a reasonable attorney’s fee.” *Genser v. Reef Condo. Ass’n, Inc.*, 100 So. 3d 760, 761 (Fla. 4th DCA 2012).

Finally, Moss urges this Court to rely on *Hampton’s Estate v. Fairchild-Florida Const. Co.*, 341 So. 2d 759 (Fla. 1976) to decide if a party is entitled to request attorney’s fees. However, Moss’s own citation to *Hampton’s Estate* supports Berger Singerman’s and GlassRatner’s entitlement to fees here. Any fees incurred on behalf of the Partnerships are properly awardable to Berger Singerman and GlassRatner because the Partnerships have been benefitted by those fees and costs and “equity allows attorneys’ fees from a fund or estate which has been benefitted by the rendering of legal services.” *Id.* at 761.

Fifteenth Objection

Moss argues that GlassRatner is an “expert witness” and that Florida Statutes do not require the award of fee’s for expert witnesses.

As set forth above, GlassRatner’s request for reimbursement is not based on Florida Statute, but is instead based on the Conservator Order, which, as set forth above, specifically includes “any accountants” among the parties who may seek reimbursement from the Partnerships. *See* Conservator Order.

Further, based on their prior approval of the Conservator Order, Moss, Jacob, and Sullivan should be judicially estopped from objecting to GlassRatner’s request for reimbursement of fees pursuant to it now.

Sixteenth Objection

Moss’s sixteenth objection is that the fees requested by Berger Singerman and GlassRatner are not reasonable and the Conservator has failed to provide proof of applying the standards set forth in *Rowe*. Jacob similarly argues that the fees requested are not reasonable.

Here, the Conservator, as a neutral and independent party, has reviewed Berger Singerman’s and GlassRatner’s fees and determined that they are reasonable. As stated in the Conservator’s Fee Report, the Conservator used the factors set forth in *Rowe* – in conjunction with voluntary reductions in the fees requested from both Berger Singerman and GlassRatner that were described above – to determine that the fees and costs they requested were reasonable. Moss’s and Jacob’s conclusory objections to the contrary are meritless.

Sullivan additionally makes the following objections:

Sullivan Objection 1

Sullivan argues that based on the caption of this action – which indicates that the Plaintiffs are certain partners in the Partnerships – Berger Singerman and GlassRatner

represented the Plaintiffs, they did not represent the interest of the Partnerships, and therefore they should not be entitled to any fees from the Partnerships (Sullivan Objection ¶¶ 9, 10, 13, 14, 15). Sullivan's objection ignores the relevant facts.

Sullivan refused to cede control of the Partnerships and their books and records after he was validly removed as Managing General Partner after elections at the special meetings. For that reason, this case had to be brought in the name of the Plaintiffs rather than the Partnerships. The fact that certain partners are the Plaintiffs in this action does not change the fact that any costs and fees incurred by Berger Singerman and GlassRatner were incurred on behalf of the Partnerships.

Sullivan Objection 2

Sullivan's second objection is that Smith did not have authority to engage Berger Singerman and GlassRatner (Sullivan Objection ¶¶ 3-8, 11-12) because he – Sullivan – did not review the Partnership Agreements prior to agreeing to the entry of this Court's Agreed Order – even though he was represented by counsel at the time and the Partnership Agreements are the operative documents governing the Partnerships for the past 20 years. He argues that if he had read the Partnership Agreement, he would have known he could not have authorized Smith's appointment as Managing General Partner.

Pursuant to the Agreed Order, *inter alia*, Sullivan resigned as Managing General Partner of the "Partnerships and Smith was deemed in his stead to be sole Managing General Partner of both Partnerships. See Exhibit D. Furthermore, Sullivan agreed that "he does not now and will not in the future challenge the appointment of Ms. Smith as Managing General Partner on August 17, 2012." *Id.*

Sullivan's argument that he did not have the authority to authorize the appointment of

Smith is irrelevant. Smith was properly elected as Managing General Partner of the Partnerships. Smith's election as Managing General Partner was not contingent on Sullivan's consent or authorization. After those elections, Sullivan refused to step down as Managing General Partner or turn over the books and records of the Partnerships. As a result, this action was commenced against him. He then agreed to the Agreed Order under which he consented to Smith being the Managing General Partner. The fact that Sullivan did not read the Partnership Agreement has no bearing on the propriety of the Agreed Order or the fact that Smith was properly elected as Managing General Partner. Moreover, this objection necessarily challenges Smith's appointment as Managing General Partner in violation of the Agreed Order.

CONCLUSION

WHEREFORE, Berger Singerman respectfully requests that the objections of Moss, Sullivan, and Jacob be overruled and denied in their entirety, that the recommendations set forth in the Conservator's Fee Report be adopted with respect to Berger Singerman and GlassRatner, and that the Court grant such other and further relief as the Court deems necessary.

Dated: May 9, 2013

Respectfully Submitted,

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By: s/LEONARD K. SAMUELS
Leonard K. Samuels
Florida Bar No. 501610
Etan Mark
Florida Bar No. 720852

**AMENDED AND RESTATED
PARTNERSHIP AGREEMENT**

This AMENDED & RESTATED Partnership 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 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 PARTNERS AGREE AS FOLLOWS:

Background

The Partners 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 partnership in accordance with the Florida Uniform Partnership Law, on the terms and subject to the conditions set forth below:

ARTICLE ONE

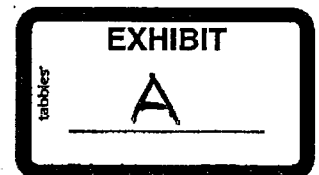
ORGANIZATION

Name

1.01 The activities and business of the partnership shall be conducted under the name S & 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

1.02 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.

ARTICLE TWO

PURPOSE OF THE PARTNERSHIP

By Consent of Partners

2.01 The Partnership 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 Partnership 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 metal, 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 FIFTY-ONE PERCENT (51%) IN INTEREST, NOT IN NUMBERS, OF THE PARTNERS, to have discretionary investment powers with the 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 Partner 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 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 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.

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 contribution:

- a. 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

5.01 The capital gains, capital losses, dividends, interest, margin interest expense, and all other profits and losses attributable to the Partnership shall be allocated among the Partners IN THE RATIO EACH 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 AS FOLLOWS: TWENTY PERCENT (20%) TO THE MANAGING GENERAL PARTNERS AND EIGHTY PERCENT (80%) TO THE PARTNERS.

DISTRIBUTIONS

5.02 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 (10) days after the end of each calendar 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 EACH 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 FISCAL YEAR AS FOLLOWS: TWENTY PERCENT (20%) TO THE MANAGING GENERAL PARTNERS AND EIGHTY PERCENT (80%) TO THE PARTNERS.

ARTICLE SIX

OWNERSHIP OF PARTNERSHIP PROPERTY

Title to Partnership Property

6.01 All property acquired by the Partnership 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 Partnership property or any part of it. The Partners shall execute any documents that may be necessary to reflect the Partnership'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 Managing General Partner.

ARTICLE SEVEN

FISCAL MATTERS

Title to Partnership Property

Accounting

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 END 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.

Fiscal Year

7.02 The fiscal year of the Partnership for both accounting and Federal 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 necessary expenses of the Partnership deductible before 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. Sullivan 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 Partners

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

- a. to engage, fire or terminate personnel, attorneys, accountants or other persons that may be deemed necessary or advisable
- b. 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 States 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.
- g. TO ADMIT PARTNERS INTO THE PARTNERSHIP NOT EXCEEDING ONE HUNDRED AND FIFTY (150) PARTNERS UNLESS THE PARTNERS HAVE APPROVED PURSUANT TO SECTION 14.04 THE ADMISSION INTO THE PARTNERSHIP OF MORE THAN ONE HUNDRED AND FIFTY (150) PARTNERS.

Restrictions on Partners

8.03 Without the prior consent of the Managing General Partners 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 REVIEW 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.

Death, Removal or Appointment of Managing General Partner

8.06 ANY MANAGING GENERAL PARTNER MAY BE REMOVED WITH OR WITHOUT CAUSE AS DETERMINED BY THE AFFIRMATIVE VOTE OF FIFTY-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 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 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 SHALL BE APPOINTED BY THE AFFIRMATIVE VOTE OF FIFTY-ONE PERCENT (51%) IN INTEREST, NOT IN NUMBERS, OF THE PARTNERS. 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 INCOMPETENCY OF A MANAGING GENERAL PARTNER, ANY CO-MANAGING GENERAL PARTNER SHALL CONTINUE AS THE MANAGING GENERAL PARTNER OR, IF THERE SHALL BE 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

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 interest may be transferred or assigned to a party who at the time of the transfer or assignment is a Partner. Any transferee 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 transferee 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 (i) received the approval of the Partners as provided IN THIS AGREEMENT, and (ii) accepted and assumed, in writing, the terms and conditions of this Agreement.

Death or Incompetency of Partner

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 Partner'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 immediately the deceased Partner's interest in the Partnership. In that event, the Partnership shall return to the deceased Partner's heirs, devisees or beneficiaries, in cash, the value of the Partnership interest as calculated in ARTICLE ELEVEN as of the 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 PARTNERSHIP SHALL, WITHIN THIRTY (30) DAYS OF RECEIVING NOTICE OF THE PARTNER'S WITHDRAWAL, 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 any 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 Partners.

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 OR ADJUDICATION TO BE INSOLVENT OR A BANKRUPT, MAKING AN ASSIGNMENT FOR THE BENEFIT OF CREDITORS.

d. 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, 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 Partner's assets and the failure 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.

g. THE COMMITTING OR PARTICIPATION IN AN INJURIOUS ACT OF FRAUD, GROSS NEGLIGENCE, MISREPRESENTATION, EMBEZZLEMENT OR DISHONESTY AGAINST THE PARTNERSHIP, OR COMMITTING OR PARTICIPATING IN ANY OTHER INJURIOUS ACT OR OMISSION WANTONLY, WILLFULLY, RECKLESSLY, OR IN A MANNER WHICH WAS GROSSLY NEGLIGENT AGAINST THE PARTNERSHIP, MONETARILY OR OTHERWISE, OR BEING CONVICTED OF ANY ACT OR ACTS CONSTITUTING A FELONY OR MISDEMEANOR, OTHER THAN TRAFFIC VIOLATIONS, UNDER THE LAWS OF THE UNITED STATES OR ANY STATE THEREOF.

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 defaulting Partner five (5) days written 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 AGREEMENT.

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 Partner.

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 partners 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 PARTNERSHIP INTERESTS Purchase Price of Partnership 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 they 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 made for any existing contingent liabilities of the Partnership.

ARTICLE TWELVE

TERMINATION OF THE PARTNERSHIP

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;
- b. 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 Five; 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, then the balance of the reserve shall be distributed in accordance with Article Five, otherwise, capital shall be returned in accordance with their Partnership interests, and then any remaining sums shall be distributed 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 THE IRC. IT WILL BE THE OBLIGATION OF ANY CORPORATE, BENEFIT PLAN, OR TAX EXEMPT ENTITY PARTNER TO COMPLY WITH ALL STATE AND FEDERAL LAWS, 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. EACH 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 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.

FURTHERMORE, A PARTNER, IF OTHER THAN AN INDIVIDUAL, WILL BE REQUIRED TO DESIGNATE TO THE MANAGING GENERAL PARTNER PRIOR 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 AGREEMENT SHALL BE MADE ONLY TO THE PARTNER'S REPRESENTATIVE, IF NOT AN INDIVIDUAL, AND THE PARTNERSHIP SHALL NOT BE OBLIGATED 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 ACCOUNTS

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 OMISSIONS BELIEVED IN GOOD FAITH TO BE WITHIN THE SCOPE OF AUTHORITY CONFERRED BY THIS AGREEMENT. THE PARTNERS SHALL BE LIABLE ONLY FOR ACTS AND/OR OMISSIONS INVOLVING INTENTIONAL WRONGDOING, FRAUD, AND BREACHES OF FIDUCIARY DUTIES OF CARE AND LOYALTY. ACTIONS OR OMISSIONS TAKEN IN RELIANCE UPON THE ADVICE OF LEGAL COUNSEL APPROVED BY FIFTY-ONE PERCENT (51%)

IN INTEREST, NOT IN NUMBERS, OF THE PARTNERS AS BEING WITHIN THE SCOPE CONFERRED BY THIS AGREEMENT SHALL BE CONCLUSIVE EVIDENCE 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 FIDUCIARY DUTIES OF CARE AND LOYALTY AND THOSE ENUMERATED IN THIS AGREEMENT CONSISTENTLY WITH THE OBLIGATION OF GOOD FAITH AND FAIR DEALING.

Additional Partners

14.04 THE PARTNERSHIP MAY ADMIT UP TO ONE HUNDRED AND FIFTY (150) PARTNERS INTO THE PARTNERSHIP IN ACCORDANCE WITH SECTION 8.02. THE PARTNERSHIP SHALL HAVE THE RIGHT TO ADMIT MORE THAN ONE HUNDRED AND FIFTY (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 AGREEMENT.

SUITABILITY

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 FROM THE DATE OF THAT PARTNER'S ADMISSION INTO THE PARTNERSHIP. AN ACCREDITED INVESTOR AS DEFINED IN THE ACT IS: A NATURAL 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 SPOUSE IN EXCESS OF \$300,000.00 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 NET WORTH WITH THEIR SPOUSE, AT THE TIME OF ADMISSION INTO THE PARTNERSHIP IS IN EXCESS OF \$1,000,000.00; A 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 SUCH KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS THAT HE IS CAPABLE OF EVALUATING THE MERITS AND RISKS INVOLVED IN BECOMING A PARTNER; ANY ORGANIZATION DESCRIBED IN SECTION 501(c)(3) OF THE IRC, CORPORATION, MASSACHUSETTS OR SIMILAR BUSINESS TRUST, OR PARTNERSHIP, NOT FORMED FOR THE SPECIFIC PURPOSE OF ACQUIRING THE PARTNERSHIP INTEREST HEREIN, WITH TOTAL ASSETS IN EXCESS OF \$5,000,000.00; ANY PRIVATE BUSINESS DEVELOPMENT COMPANY AS DEFINED IN SECTION 3(a)(2) OF THE ACT OR ANY SAVINGS AND LOAN ASSOCIATION OR OTHER INSTITUTION AS DEFINED IN SECTION 3(a)(5) (A) OF THE ACT, WHETHER ACTING IN ITS INDIVIDUAL OR FIDUCIARY CAPACITY; ANY BROKER-DEALER REGISTERED PURSUANT TO SECTION 15 OR SECTION 2(13) OF THE ACT; ANY INVESTMENT COMPANY REGISTERED UNDER THE INVESTMENT COMPANY ACT OF 1940 OR A BUSINESS DEVELOPMENT COMPANY AS DEFINED IN SECTION 2(a)(48) OF THE ACT; ANY SMALL BUSINESS INVESTMENT COMPANY LICENSED BY THE U.S. SMALL BUSINESS ADMINISTRATION UNDER SECTION 301(c) OR (d) OF THE SMALL BUSINESS INVESTMENT ACT OF 1958; ANY PLAN ESTABLISHED AND MAINTAINED BY A STATE, ITS POLITICAL SUBDIVISION, OR ANY AGENCY OR INSTRUMENTALITY OF A STATE OR ITS POLITICAL SUBDIVISIONS, FOR THE BENEFIT OF ITS EMPLOYEES, IF SUCH PLAN HAS TOTAL ASSETS IN EXCESS OF \$5,000,000; ANY EMPLOYEE BENEFIT PLAN WITHIN THE MEANING OF

THE EMPLOYEE RETIREMENT INCOME SECURITIES ACT OF 1974, IF THE INVESTMENT DECISION IS MADE BY A PLAN FIDUCIARY, AS DEFINED IN SECTION 3(21) OF SUCH ACT, WHICH IS EITHER A BANK, SAVINGS AND LOAN ASSOCIATION, INSURANCE COMPANY, OR REGISTERED INVESTMENT ADVISOR, OR IF THE EMPLOYEE BENEFIT PLAN HAS TOTAL ASSETS IN EXCESS OF \$5,000,000.00, OR, IF A SELF-DIRECTED PLAN, WITH INVESTMENT DECISIONS MADE SOLELY BY PERSONS THAT ARE ACCREDITED INVESTORS; AND, ANY ENTITY WHICH ALL OF THE EQUITY OWNERS ARE ACCREDITED INVESTORS AS DEFINED ABOVE.

Notices

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 to 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

14.07 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.

13

Disputes

14.08 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 female or neuter gender AND VICE VERSA, AND all singular words shall include the plural, and all plural words 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.

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

S & P ASSOCIATES, General Partnership
c/o SULLIVAN & POWELL
6550 N. Federal Hwy., Suite 210
Ft. Lauderdale, FL 33308-1404

- 1) The parties hereto have executed this Agreement by the signature and date set forth below.
(sign and date)

Douglas A. Stegall

Date: December 9, 1999

Date: _____

Date: _____

Date: _____

- 2) Please check one of the following:

☐ I elect to receive my distributions on a quarterly basis (payable at 12%).

☒ I elect to have my quarterly distribution reinvested in the Partnership.

EXHIBIT A (Title of Your Account)

Name, Address
Telephone # and Fax #

Soc. Sec. # or
Federal ID#

Capital Contribution

Festus Stacy Foundation

59-6698852

\$100,000.00

6550 N. Federal Hwy.

Suite 250

Ft. Lauderdale, FL 33308

Tel: 954-776-3386

Fax: 954-776-6469

FESTUS STACY FDN TWO TR
6650 N FEDERAL HWY 250
FT LAUDERDALE, FL 33308

EMMA Endowment
Management Account

0551

25-80/440

TO THE
ORDER OF

SLP Associates, David R. Edwards

\$100,000.00

Dr. Ronald Howard

BS Merrill Lynch

BANK ONE BANK ONE COLUMBUS, GA

OR Christa

000551

004000804 041171835783

December 9, 1999

BS DOLLARS

AMENDED AND RESTATED
PARTNERSHIP AGREEMENT

This AMENDED & RESTATED Partnership 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 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 PARTNERS AGREE AS FOLLOWS:

Background

The Partners 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 partnership 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 business of the partnership shall be conducted under the name P & S 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

1.02 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.

ARTICLE TWO

PURPOSE OF THE PARTNERSHIP

By Consent of Partners

2.01 The Partnership 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 Partnership 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 metal, 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 FIFTY-ONE PERCENT (51%) IN INTEREST, NOT IN NUMBERS, OF THE PARTNERS, to have discretionary investment powers with the 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 Partner 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 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 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.

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 contribution:

- a. 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

5.01 The capital gains, capital losses, dividends, interest, margin interest expense, and all other profits and losses attributable to the Partnership shall be allocated among the Partners IN THE RATIO EACH 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 AS FOLLOWS: TWENTY PERCENT (20%) TO THE MANAGING GENERAL PARTNERS AND EIGHTY PERCENT (80%) TO THE PARTNERS.

DISTRIBUTIONS

5.02 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 (10) days after the end of each calendar 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 EACH 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 FISCAL YEAR AS FOLLOWS: TWENTY PERCENT (20%) TO THE MANAGING GENERAL PARTNERS AND EIGHTY PERCENT (80%) TO THE PARTNERS.

ARTICLE SIX

OWNERSHIP OF PARTNERSHIP PROPERTY Title to Partnership Property

6.01 All property acquired by the Partnership 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 Partnership property or any part of it. The Partners shall execute any documents that may be necessary to reflect the Partnership'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 Managing General Partner.

ARTICLE SEVEN

FISCAL MATTERS

Title to Partnership Property Accounting

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 END 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.

Fiscal Year

7.02 The fiscal year of the Partnership for both accounting and Federal 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 necessary expenses of the Partnership deductible before 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. Sullivan 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 Partners

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

- a. to engage, fire or terminate personnel, attorneys, accountants or other persons that may be deemed necessary or advisable
- b. 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 States 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.
- g. TO ADMIT PARTNERS INTO THE PARTNERSHIP NOT EXCEEDING ONE HUNDRED AND FIFTY (150) PARTNERS UNLESS THE PARTNERS HAVE APPROVED PURSUANT TO SECTION 14.04 THE ADMISSION INTO THE PARTNERSHIP OF MORE THAN ONE HUNDRED AND FIFTY (150) PARTNERS.

Restrictions on Partners

8.03 Without the prior consent of the Managing General Partners 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 REVIEW 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.

Death, Removal or Appointment of Managing General Partner

8.06 ANY MANAGING GENERAL PARTNER MAY BE REMOVED WITH OR WITHOUT CAUSE AS DETERMINED BY THE AFFIRMATIVE VOTE OF FIFTY-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 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 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 SHALL BE APPOINTED BY THE AFFIRMATIVE VOTE OF FIFTY-ONE PERCENT (51%) IN INTEREST, NOT IN NUMBERS, OF THE PARTNERS. 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 INCOMPETENCY OF A MANAGING GENERAL PARTNER, ANY CO-MANAGING GENERAL PARTNER SHALL CONTINUE AS THE MANAGING GENERAL PARTNER OR, IF THERE SHALL BE 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

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 interest may be transferred or assigned to a party who at the time of the transfer or assignment is a Partner. Any transferee 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 transferee 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 (i) received the approval of the Partners as provided IN THIS AGREEMENT, and (ii) accepted and assumed, in writing, the terms and conditions of this Agreement.

Death or Incompetency of Partner

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 Partner'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 devise or, on termination of a trust, is distributed to more than one beneficiary, then the Partnership shall have the right to terminate immediately the deceased Partner's interest in the Partnership. In that event, the Partnership shall return to the deceased Partner's heirs, devisees or beneficiaries, in cash, the value of the Partnership interest as calculated in ARTICLE ELEVEN as of the 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 PARTNERSHIP SHALL, WITHIN THIRTY (30) DAYS OF RECEIVING NOTICE OF THE PARTNER'S WITHDRAWAL, 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 any 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 Partners.
- 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 OR ADJUDICATION TO BE INSOLVENT OR A BANKRUPT, MAKING AN ASSIGNMENT FOR THE BENEFIT OF CREDITORS.
- d. 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, 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 Partner's assets and the failure 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.
- g. THE COMMITTING OR PARTICIPATION IN AN INJURIOUS ACT OF FRAUD, GROSS NEGLIGENCE, MISREPRESENTATION, EMBEZZLEMENT, OR DISHONESTY AGAINST THE PARTNERSHIP, OR COMMITTING OR PARTICIPATING IN ANY OTHER INJURIOUS ACT OR OMISSION WANTONLY, WILLFULLY, RECKLESSLY, OR IN A MANNER WHICH WAS GROSSLY NEGLIGENT AGAINST THE PARTNERSHIP, MONETARILY OR OTHERWISE, OR BEING CONVICTED OF ANY ACT OR ACTS CONSTITUTING A FELONY OR MISDEMEANOR, OTHER THAN TRAFFIC VIOLATIONS, UNDER THE LAWS OF THE UNITED STATES OR ANY STATE THEREOF.

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 defaulting Partner five (5) days written 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 AGREEMENT.

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 Partner.

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 partners 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 PARTNERSHIP INTERESTS Purchase Price of Partnership 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 they 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 made for any existing contingent liabilities of the Partnership.

ARTICLE TWELVE

TERMINATION OF THE PARTNERSHIP

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;

b. 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 Five; 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, then the balance of the reserve shall be distributed in accordance with Article Five, otherwise, capital shall be returned in accordance with their Partnership interests, and then any remaining sums shall be distributed 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 THE IRC. IT WILL BE THE OBLIGATION OF ANY CORPORATE, BENEFIT PLAN, OR TAX EXEMPT ENTITY PARTNER TO COMPLY WITH ALL STATE AND FEDERAL LAWS, 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. EACH 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 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.

FURTHERMORE, A PARTNER, IF OTHER THAN AN INDIVIDUAL, WILL BE REQUIRED TO DESIGNATE TO THE MANAGING GENERAL PARTNER PRIOR 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 AGREEMENT SHALL BE MADE ONLY TO THE PARTNER'S REPRESENTATIVE, IF NOT AN INDIVIDUAL, AND THE PARTNERSHIP SHALL NOT BE OBLIGATED 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 ACCOUNTS

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 OMISSIONS BELIEVED IN GOOD FAITH TO BE WITHIN THE SCOPE OF AUTHORITY CONFERRED BY THIS AGREEMENT. THE PARTNERS SHALL BE LIABLE ONLY FOR ACTS AND/OR OMISSIONS INVOLVING INTENTIONAL WRONGDOING, FRAUD, AND BREACHES OF FIDUCIARY DUTIES OF CARE AND LOYALTY. ACTIONS OR OMISSIONS TAKEN IN RELIANCE UPON THE ADVICE OF LEGAL COUNSEL APPROVED BY FIFTY-ONE PERCENT (51%)

IN INTEREST, NOT IN NUMBERS, OF THE PARTNERS AS BEING WITHIN THE SCOPE CONFERRED BY THIS AGREEMENT SHALL BE CONCLUSIVE EVIDENCE 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 FIDUCIARY DUTIES OF CARE AND LOYALTY AND THOSE ENUMERATED IN THIS AGREEMENT CONSISTENTLY WITH THE OBLIGATION OF GOOD FAITH AND FAIR DEALING.

Additional Partners

14.04 THE PARTNERSHIP MAY ADMIT UP TO ONE HUNDRED AND FIFTY (150) PARTNERS INTO THE PARTNERSHIP IN ACCORDANCE WITH SECTION 8.02. THE PARTNERSHIP SHALL HAVE THE RIGHT TO ADMIT MORE THAN ONE HUNDRED AND FIFTY (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 AGREEMENT.

SUITABILITY

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 FROM THE DATE OF THAT PARTNER'S ADMISSION INTO THE PARTNERSHIP. AN ACCREDITED INVESTOR AS DEFINED IN THE ACT IS: A NATURAL 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 SPOUSE IN EXCESS OF \$300,000.00 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 NET WORTH WITH THEIR SPOUSE, AT THE TIME OF ADMISSION INTO THE PARTNERSHIP IS IN EXCESS OF \$1,000,000.00; A 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 SUCH KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS THAT HE IS CAPABLE OF EVALUATING THE MERITS AND RISKS INVOLVED IN BECOMING A PARTNER; ANY ORGANIZATION DESCRIBED IN SECTION 501(c)(3) OF THE IRC, CORPORATION, MASSACHUSETTS OR SIMILAR BUSINESS TRUST, OR PARTNERSHIP, NOT FORMED FOR THE SPECIFIC PURPOSE OF ACQUIRING THE PARTNERSHIP INTEREST HEREIN, WITH TOTAL ASSETS IN EXCESS OF \$5,000,000.00; ANY PRIVATE BUSINESS DEVELOPMENT COMPANY AS DEFINED IN SECTION 3(a)(2) OF THE ACT OR ANY SAVINGS AND LOAN ASSOCIATION OR OTHER INSTITUTION AS DEFINED IN SECTION 3(a)(5) (A) OF THE ACT, WHETHER ACTING IN ITS INDIVIDUAL OR FIDUCIARY CAPACITY; ANY BROKER-DEALER REGISTERED PURSUANT TO SECTION 15 OR SECTION 2(13) OF THE ACT; ANY INVESTMENT COMPANY REGISTERED UNDER THE INVESTMENT COMPANY ACT OF 1940 OR A BUSINESS DEVELOPMENT COMPANY AS DEFINED IN SECTION 2(a)(48) OF THE ACT; ANY SMALL BUSINESS INVESTMENT COMPANY LICENSED BY THE U.S. SMALL BUSINESS ADMINISTRATION UNDER SECTION 801(c) OR (d) OF THE SMALL BUSINESS INVESTMENT ACT OF 1958; ANY PLAN ESTABLISHED AND MAINTAINED BY A STATE, ITS POLITICAL SUBDIVISION, OR ANY AGENCY OR INSTRUMENTALITY OF A STATE OR ITS POLITICAL SUBDIVISIONS, FOR THE BENEFIT OF ITS EMPLOYEES, IF SUCH PLAN HAS TOTAL ASSETS IN EXCESS OF \$5,000,000; ANY EMPLOYEE BENEFIT PLAN WITHIN THE MEANING OF

THE EMPLOYEE RETIREMENT INCOME SECURITIES ACT OF 1974, IF THE INVESTMENT DECISION IS MADE BY A PLAN FIDUCIARY, AS DEFINED IN SECTION 3(21) OF SUCH ACT, WHICH IS EITHER A BANK, SAVINGS AND LOAN ASSOCIATION, INSURANCE COMPANY, OR REGISTERED INVESTMENT ADVISOR, OR IF THE EMPLOYEE BENEFIT PLAN HAS TOTAL ASSETS IN EXCESS OF \$5,000,000.00, OR, IF A SELF-DIRECTED PLAN, WITH INVESTMENT DECISIONS MADE SOLELY BY PERSONS THAT ARE ACCREDITED INVESTORS; AND, ANY ENTITY WHICH ALL OF THE EQUITY OWNERS ARE ACCREDITED INVESTORS AS DEFINED ABOVE.

Notices

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 to 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

14.07 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.

13

Disputes

14.08 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 female or neuter gender AND VICE VERSA, AND all singular words shall include the plural, and all plural words 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.

MINUTES OF THE
SPECIAL MEETING OF PARTNERS OF
S&P ASSOCIATES

A special meeting of S&P Associates (the "Partnership") was held on August 17, 2012 at 10:00 a.m., at 350 East Las Olas Blvd., Suite 1000, Ft. Lauderdale, FL 33301.

Brett Stepelton, a partner designee, presided over the meeting as Chairman. David Black, an attorney with Berger Singerman LLP ("Berger Singerman"), counsel for some of the partners calling the meeting, acted as Secretary of the meeting. Marci Shaffer, with the office of Berger Singerman, acted as Inspector of Elections.

Mr. Stepelton called the meeting to order, noted that Ms. Shaffer had been appointed as Inspector of Elections, and then appointed Mr. Black as Secretary of the meeting.

Ms. Shaffer handed Mr. Black the sign in sheet indicating all of those present at the meeting, a copy of which is attached to these minutes as Exhibit A.

Mr. Black then asked all non-partners in attendance to state their name. The following individuals introduced themselves: David Black, Marci Shaffer, Margaret Smith, Carol Fox, Etan Mark, Leonard Samuels, Chad



Pugatch, Robert Rubin, Patrick Kelly, Paul Singerman, and Morris Brown.

Mr. Black next asked whether any person in attendance had not received a copy of the Rules and Procedures of the meeting. There being no response, Mr. Black moved on to summarizing the Rules and Procedures of the meeting. Specifically, he pointed out that:

- anyone who had not previously handed in a proxy, or would like to change his or her vote, should ask the inspector of elections to receive a ballot,
- he would read the motions coming before the meeting and then entertain discussion prior to bringing them to a vote,
- only people listed as partners in the Inspector of Elections' roster, or their designees, as well as the current managing general partner, would be allowed to speak at the meeting during the discussion period – one person would be allowed to speak at a time, after being called upon by him,
- discussion would be limited to 5 minutes per speaker and anyone who refuses to cease discussion after 5 minutes after admonition from him would be removed by Officer Boehm for trespassing,
- after the discussion period, he would submit the motion to a

vote and direct ballots to be returned to the Inspector of Elections, and

- if more than one person sought to vote a partner's interest, the Inspector of Elections would determine which vote to accept.

Mr. Black then announced that the Inspector of Elections had reported that a quorum was present, and that the meeting was duly qualified to transact business.

Mr. Black next announced the motions before the partners at the meeting, namely:

- to replace Michael D. Sullivan as Managing General Partner with Margaret J. Smith, and
- if the first motion passes, to amend the partnership agreement of S&P Associates to reflect the change in Managing General Partners.

Mr. Black noted that if prior to voting on the motions before the meeting anyone would like to comment in accordance with the Rules and Procedures for the meeting, they should raise their hand and wait to be called upon by him.

At that point, Chad Pugatch, counsel for the Partnership, asked if 51 percent of the vote had been received in order to call the meeting. Mr.

Black responded that 51 percent had been received and evidence of that vote was attached to the notice of special meeting delivered to the partners. Mr. Pugatch then asked how the vote was calculated for SPJ, and Mr. Black confirmed that a majority in interest of the partnership in SPJ voted on behalf of SPJ to vote its interest to call the meeting.

Thereafter, Steve Jacob asked how and when the percentages were calculated. Mr. Black responded that the interests of each partner was considered and once over 51 percent of the interests voting in favor was attained, the meeting was called. Mr. Jacob then asked as of what date the partnership interests were determined, to which Mr. Black responded that it was the date the notice was made. Carol Fox responded, noting that the net equity method of accounting – cash in, cash out – was used to determine the interests in the Partnership.

Chad Pugatch then stated that he was challenging the calculation of the 51 percent vote necessary to call the meeting.

Leonard Samuels then spoke. He explained that Berger Singerman is representing a group of investors who have lost millions of dollars in their investments in the Partnership. He explained that Ms. Smith (the proposed replacement as Managing General Partner) is not only a certified public accountant, but also an expert in business valuations and a certified fraud

examiner. He noted that many partners have expressed concern regarding the management of the Partnership; as an example, he referenced the lawsuit filed by the trustee for the estate of Bernie Madoff that makes certain allegations that are very significant and troubling, such as Avellino's and Bienes's attempt to find front men for the use of new partnerships to continue to funnel money to BLMIS. Mr. Samuels explained that Avellino and Bienes are not allowed to sell securities because they have been barred from doing so by the SEC. Yet, Mr. Samuels explained, it is not the job of the trustee of the Madoff case to investigate and potentially prosecute these claims; rather, it is the job of the Managing General Partner of the Partnership, and Mr. Sullivan is in no position to either assess those claims or look at those claims.

Mr. Samuels then noted that, after a forensic accounting of the Partnership's books and records had occurred, it was discovered that:

- millions of dollars were not accounted for that apparently were not invested in the Madoff funds, and
- Michael D. Sullivan & Associates received over 3.8 million dollars in fees, while another entity named Sullivan and Powell received almost 2 million dollars in fees.

Mr. Samuels also noted that Michael D. Sullivan & Associates

received over 1.7 million dollars in fees from S&P Associates, with nearly \$750,000 of that being distributed to an entity called the Kelco Foundation, and over \$600,000 to Sullivan & Associates. Mr. Samuels noted that these fees totaled almost 8 million dollars. Mr. Samuels then explained that tens of thousands of dollars were earmarked for distribution to Messrs. Avellino and Bienes. Finally, Mr. Samuels noted that the intent of the proposals was to enable the partners to recover as much money for the Partnership as possible for distribution among the partners. Finally, he asserted that his clients do not believe Mr. Sullivan is the appropriate person to achieve that goal.

Mr. Pugatch clarified that his silence in connection with Mr. Samuels's statement did not indicate that Mr. Sullivan agrees with any of those allegations.

Mr. Black then asked if anyone else would like to speak, and Ms. Fox indicated she would like to do so. Ms. Fox mentioned that she was a senior managing director in the Miami office of Glass Ratner Advisory & Capital Group, a certified public accountant, certified fraud examiner, and certified insolvency and restructure advisory, who, for over a decade has investigated and/or testified on matters involving white collar crime and investor fraud in cases as large as one billion dollars under management.

Ms. Fox continued by expanding on Mr. Samuels's comments regarding Messrs. Avellino and Bienes, noting that management calculations prepared on behalf of the Partnership specifically reference amounts due and accrued on behalf of "A and B" on account of them bringing in investors including, but not limited to, James Jordan, Matthew Carone, and Elaine Ziffer. Ms. Fox noted that, because these fees were not paid directly from the Partnership, but rather through passthrough entities that paid those accrued management fees to Messrs. Avellino and Bienes, a further investigation is required relating to potential recoveries from Michael D. Sullivan & Associates and/or Michael Sullivan, personally. Ms. Fox then explained that correspondence contained in the Partnership files indicate that at least Mr. Avellino was consulted with respect to, and directed, numerous Partnership decisions from inception through the lifespan of the Partnership. Ms. Fox then noted that while she had not received complete banking records for the Partnership, complete banking records for P&S Associates indicate that P&S Associates received \$26.9 million of investor funds, but only \$22 million was invested in BLIMS, leaving a discrepancy of \$4 million. Ms. Fox then explained that with the limited banking records she did receive for the Partnership, approximately \$64 million was received by the Partnership, yet only \$41.7 million was

invested in Madoff, leaving a potential discrepancy of \$22.3 million.

Ms. Fox concluded by noting that banking records of P&S Associates show that from 1994 to 2008, fifty checks totaling more than \$745,000 were disbursed to Kelco Foundation, a not-for-profit entity founded by Monsignor Vincent Kelly, which fees directly related to the introduction of at least 19 investors to P&S Associates by Monsignor Kelly. Ms. Fox stated that these management fees were treated as charitable contributions on the tax returns of P&S Associates however they were passed through to investors in their K-1s as "expenses related to portfolio income."

Mr. Black then called on Steve Jacob, who asked in what way the new Managing General Partner plans to bring more money back to the Partnership.

Scott Holloway then asked what the cost and benefit, as well as the timeframe, is with the proposed new engagement. Etan Mark responded that in light of the significant concerns raised by the forensic review done thus far, the goal is to gain full access to the books and records and, following that, ascertain what the next steps should be. Mr. Mark noted that because millions of dollars are unaccounted for, there is a need to determine where that money went so as to determine what steps should be taken to recover it. Mr. Mark concluded by stating that his client's do not

consider Mr. Sullivan as the person to take those steps.

Mr. Holloway then asked what the estimated timeframe and cost for such next steps would be. Mr. Singerman explained that the cost and timeframe will be directly related to how hard the current Managing General Partner fights and delays the partners' attempt to gain access to the records. Mr. Singerman then estimated that if the current Managing General Partner were fully cooperative, he expected to be able to have a report for the partners in as little as 35 to 45 days. Mr. Holloway then stated that irrespective of the outcome of the pending vote, all partners should work together in a collegial manner.

Mr. Samuels then noted that new management would not need to begin their review "from scratch" since forensic accounting had already taken place.

Mr. Black then asked if any other person wished to speak. There being none, Mr. Black announced that the discussion period was over.

At this time, Mr. Black noted that if anyone had not handed in a proxy or would like to change their vote, they should so indicate and the Inspector of Elections would either collect their proxy or provide a ballot to them.

After distribution of ballots and proxies by the Inspector of Elections, Mr. Black announced that the polls were open.

Various partners and proxies then completed ballots and submitted ballots and proxies to the Inspector of Elections. Mr. Black then asked if there was any registered partner present who was entitled to vote and who wanted to vote but had not yet signed a proxy or ballot. There being no affirmative responses, Mr. Black closed the polls, at which time the Inspector of Elections tallied the votes in favor of and against the proposals.

After a short break, Mr. Stepelton called the meeting back to order, then asked Mr. Black to proceed.

Mr. Black then announced that he had been advised by the Inspector of Elections of the voting results and that the Partnership's partners had replaced Michael D. Sullivan as Managing General Partner with Margaret J. Smith and voted to amend the partnership agreement of the Partnership to reflect the change in Managing General Partners, which amendment would be included with the minutes of this meeting.

Mr. Black then stated that Michael Sullivan:

- should provide Margaret Smith with all information she requires to facilitate the transition to her as Managing General Partner,
- was being put on notice that Ms. Smith's designee would arrive at the partnership's office at 1 p.m. that afternoon in order to

take possession of S&P Associates' files, computers, records, and assets,

- should not remove any files, records, or assets of the partnership prior to Ms. Smith or her designee taking possession or control of same, and
- should have no further involvement with the affairs of S&P Associates.

Thereafter, Mr. Pugatch asked Mr. Black if he was going to report the actual vote, and Mr. Black noted that the over 70 percent of the partnership interests were voted in favor of the proposals, and that the individual votes would be reported in the meeting minutes.

Mr. Black adjourned the meeting at approximately 10:47 a.m.

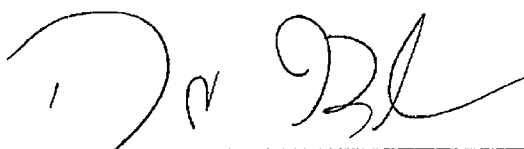
A copy of the vote results, certified by the Inspector of Elections, is attached to these minutes as Exhibit B.¹

A copy of the transcript from the meeting, certified by the meeting's

¹ Those ballots and proxies are attached to these meeting minutes as Exhibit B. The proxies of John and Lois Combs, Ersica Gianna, Gregg Wallick, Harvey and Yvonne Powell, Phillip Hocott, Edward Jacobs, Rosemary Leo Sullivan, Katherine Astley, and Evelyn Willis were not counted because, under the net equity method of accounting which was employed to determine partnership interests, these individuals have received a full return of their investment and therefore have no further interest in the Partnership. The proxy of Bruce Aymes was not counted because it was received on Monday August 21, three days after the meeting. The proxy of Bette Anne Peltzer was not counted because Bette Anne Peltzer does not hold any record partnership interest in the Partnership. The ballot of Burt Moss was not counted because Burt Moss does not hold any record partnership interest in the Partnership. The ballot of Steve Jacob for SPJ, Ltd. was not counted because (i) there is no partner in the Partnership named SPJ, Ltd. and (ii) assuming Mr. Jacob was attempting to complete a ballot on behalf of SPJ Investments, Ltd., the Inspector of Elections had already received a proxy on behalf of SPJ Investments, Ltd. from a majority of the partners in interest in SPJ Investments, Ltd.

stenographer – Suzanne Dunay Siegel – is attached to these minutes as Exhibit C.

A copy of the amendment to the partnership agreement of the Partnership is attached to these minutes as Exhibit D.


Secretary of the Meeting

Approved:


Chairman of the Meeting

EXHIBIT A
Sign In Sheet

(see attached)

**S & P ASSOCIATES
SPECIAL MEETING OF PARTNERS
FRIDAY, AUGUST 17, 2012
SIGN IN**

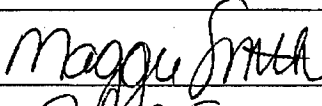
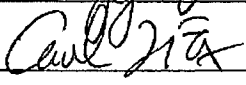
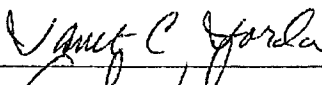
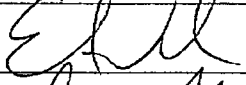
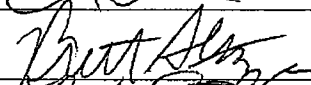
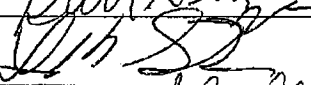
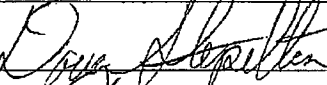


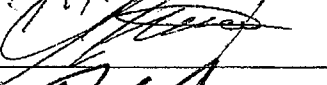
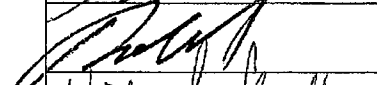
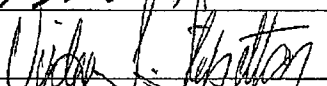
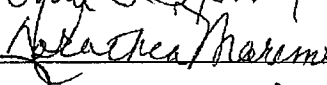
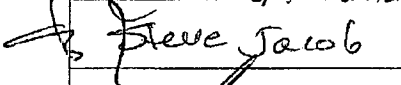


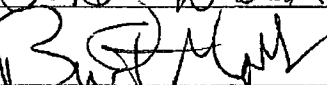
SIGNATURE	PRINTED NAME	PARTNER	OTHER & CAPACITY
	Maggie Smith	-	Other
	Carol Fox	✓	Financial Advisor
	Janet Jordan	✓	
	ETAN MARK		attorney
	Brent Stines	✓	
	Leonard K. Samuels		Attorney
	Doug STEPELTON		
	GARY CHANDRA	✓	
	Scott W. Holloway	✓	
	Chad Pugatch		A Attorney
	Rada + Rubin		Attorney
	Virlee STEPELTON	✓	
	DOROTHEA MAREMA	✓	
	Steve JACOB	✓	
	Wayne HORWITZ		→ HOWARD & JOYCE HORWITZ TRUSTEE FOR
	Cindy WALLICK	✓	
	Burt MOSS	✓	

EXHIBIT B
Vote Results

(see attached)

S & P ASSOCIATES

Special Meeting of the Partners held on August 17, 2012

Certificate of Inspector of Elections

Date of Special Meeting

August 17, 2012

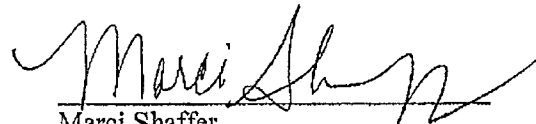
Total Partnership Interests present by proxy or in person: 94.35%

I, Marci Shaffer being the Inspector of Elections of the Special Meeting of the Partners of S & P Associates held on Friday, August 17, 2012 at 10:00 a.m. at the offices of Berger Singerman LLP, 350 E. Las Olas Blvd., Suite 1000, Ft. Lauderdale, FL 33301, do hereby certify that the results of voting at said meeting were as follows after my examination of all the proxies and ballots presented to the meeting:

For removal, election and amending the Partnership Agreement: 70.83%

Against removal and amending the Partnership Agreement: 23.52%

Dated: August 17, 2012



Marci Shaffer
Inspector of Elections of Special
Meeting of Partners of S & P
Associates

S & P Associates

August 17, 2012 Meeting Vote Results* **

Investor Name	Percentage Interest	Proxy or Ballot Received In Favor	Proxy or Ballot Received Against
SPJ Investments, Ltd.	28.43%	X	
Festus and Helen Stacy Foundation, Inc.	23.45%	X	
Bond, Roger G. & Terry A.	7.44%	X	
Wallick, Cindy	4.56%	X	
Eldridge Family Limited Partnership	2.60%	X	
Barbara B. Fox, Trustee	0.70%	X	
Podwill, Michael J.	0.50%	X	
Alice B. Iuen Revocable Trust	0.48%	X	
Marvin F. Iuen, Trustee	0.42%	X	
Podwill, Robert R. & Gail	0.35%	X	
Ralph C. Fox, TTEE U/A DTD 3/19/93	0.25%	X	
Fox Family Partnership	0.21%	X	
Beverly B. Lewis	0.05%		X
Ann M. Sullivan	0.07%		
Paul H. Mueller	0.68%		X
Bette Anne Powell	0.32%		
Scott W. Holloway Revocable Trust	0.32%		X
Margaret Lipworth & Donna Moss	0.31%	X	
Irwin B. & Mary N. Reed, Trustees	0.21%		
Barbara Aymes	0.34%		
Martin L. Braun	0.02%		
Gary R. Chapman - IRA	0.01%	X	
Kathryn and/or Angela Silecchia	0.00%		
Denise A. Cram	0.04%		X
Howard H. & Joyce Horwitz Trustees	0.20%	X	
Joseph A. Spelzio	0.57%		X
Johanna Wills Clark	0.11%		
Jack B. & Barbara Wirick	0.16%		
Wallace Goodman	0.57%		
Adam S. Holloway	0.65%		X
Christie C. McGarey	0.01%		X
Susan M. Michaelson	0.11%		
Karen Newman	0.04%		X
Louis S. and Darlene O'Neal	0.20%		X
Mary S. Haslam	0.11%		X
Alicia N. Holloway Revocable Trust	0.04%		X
Deborah Fellman Revocable Trust	0.10%		
Marguerite & Steven Marinaro	0.44%		X (proxy states P&S, not S&P)
Paul & Tina Paolozzi	0.22%		
Glen O. & Barbara J. Powell	0.04%		X
James E. Yonge, Trustee	0.44%	X	
Kim D. Janicek, Custodian			
Cody F. Janicek	0.03%		X
Robert & Dorothy Henley	0.03%		X
Saul Rosen	0.24%		X
Richard P. & Dora F. Long	0.45%		X
Kathryn L. Babcock	0.04%		
George & Sybil Wirick	0.20%		
Helen F. Holt Revocable Trust	0.40%		
Guardian Angel Trust, LLC	19.37%		X

S & P Associates

August 17, 2012 Meeting Vote Results* **

Investor Name	Percentage Interest	Proxy or Ballot Received in Favor	Proxy or Ballot Received Against
Margaret B. Gwinn	0.15%		
Jess L. and/or Alice B. Taylor	0.26%	X	
James R. & Kathleen M. Walsh	0.85%		
Kathy G. Walsh	0.36%		
Kristina Anne Holloway	0.02%		
Wallick Family Educational Trust	0.24%		
Dorothea V. Marema	0.15%		X
Ruth J. Brown Revocable Trust	0.22%	X	
Gayle Hinerman	0.04%		X
Rose Orfino	1.10%		
Patricia & Eduardo Hildaigo	0.05%		
Christle C. McGarey	0.01%		X
Catherine McGarey	0.01%		X
Total		70.83%	23.52%

*Proxies from the following individuals not counted:

Bette Anne Peltzer
John and Lois Combs
Ersica Gianna
Gregg Wallick
Harvey and Yvonne Powell
Phillip Hocott
Edward Jacobs
Rosemary Leo Sullivan
Katherine Astley
Bruce Aymes
Evelyn Willis

**Ballots from the following individuals not counted:

Steve Jacob for SPJ, Ltd
Burt Moss

BALLOT

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby cast the following vote on the following question presented at the Meeting of the partners of the Partnership held on August 17, 2012:

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: X

Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: X

Against: _____

By: [Signature]
Name: ELARY CHAPMAN
Title: PARTNER

8/17/12
Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

BALLOT

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby cast the following vote on the following question presented at the Meeting of the partners of the Partnership held on August 17, 2012:

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ☒

Against: ☐

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ☒

Against: ☐

By: [Signature]

Name: WAYNE HORWITZ

Title: TRUSTEE FOR HOWARD & JOYCE LIVING TRUST

8-17-12
Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

BALLOT

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby cast the following vote on the following question presented at the Meeting of the partners of the Partnership held on August 17, 2012:

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ✓

Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ✓

Against: _____

By: Janet Jordan

Name: Janet Jordan

Title: Proxy

8/17/12
Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

The vote evidenced by this ballot is taken on behalf of all proxies that (i) name me as proxy and (ii) direct me to vote in favor of the foregoing resolution.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: X Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: X Against: _____

By:
Name:
Title:

Acice B. Taylor for
Acice B. Taylor

Date

7/23/12

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ☒Against: ☐

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ☒Against: ☐


Marvin P. Iuen, Trustee

Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ☒ _____

Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ☒ _____

Against: _____


Alice B. Iuen Revocable Trust

Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ☒Against: ☐

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ☒Against: ☐Robert R. Podwill
Robert R. PodwillGail Podwill
Gail Podwill

Date

Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ✓

Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ✓

Against: _____

Michael J. Podwill

Michael J. Podwill

Date _____

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ☒

Against: ☐

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ☒

Against: ☐

By: MARGARET LIPWORTH BECKER
Name:
Title:

08/13/2012
Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ☒


Against: ☐

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ☒

Against: ☐

By: 
Name: Donna L. Moss
Title:

Date:

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: X

Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: X

Against: _____

Fox Family Partnership

By: Carol L Fox

Name: Carol L Fox

Title: General Partner, Fox Family Partnership

Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: X Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: X Against: _____

Ralph C. Fox
Ralph C. Fox, TTEE U/A DTD 3/19/93 (Ralph C. Fox is deceased)

Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

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The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: X Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: X Against: _____

Barbara B. Fox, Trustee
Barbara B. Fox, Trustee

Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ☒

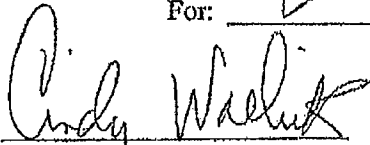
Against: ☐

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ☒

Against: ☐


Cindy Wallick

Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Brett Stepelton (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ✓

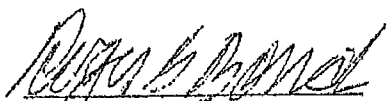
Against: _____

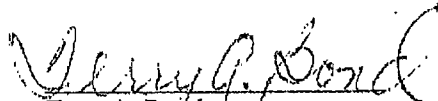
Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ✓

Against: _____


Roger G. Bond


Terry A. Bond

Date

Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ☒ Against: ☐

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ☒ Against: ☐

Festus and Helen Stacy Foundation, Inc.

By: Brett Stegelson

Name:

Title: Trustee / V.P. of operations

Date: _____

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: X Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: X Against: _____

By: [Signature]
Name: _____
Title: _____
Date: July 24, 2012

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ✓ Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ✓ Against: _____

By:

Ruth J. Brown
Name: RUTH J. BROWN
Title: Trustee, Ruth J. Brown Revocable Trust

X

Date _____

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ✓

Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ✓

Against: _____

Eldridge Family Limited Partnership

By: Lawrence L. Eldridge
Name: LAWRENCE L. ELDRIDGE
Title: GENERAL PARTNER

Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

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The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ✓ Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ✓ Against: _____

SPJ Investments, Ltd.

[signatures begin on following page]

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

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The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ✓ Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ✓ Against: _____

[Signatures follow on next page]

James A. Jordan

From:

07/11/2012 09:25

#908 P.001/001

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

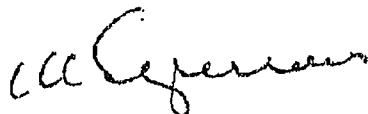
For: ✓ Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ✓ Against: _____

(Signatures follow on next page)


MARVIN SEPERSON

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ☒

Against: ☐

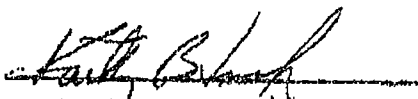
Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ☒

Against: ☐

[Signatures follow on next page]


Kathryn Babcock

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ✓

Against:

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ✓

Against:

[Signatures follow on next page]

Russell L Raines

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ✓

Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ✓

Against: _____

[Signatures follow on next page]

Cindy Waelick

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ✓

Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ✓

Against: _____

[Signatures follow on next page]



SEAN Stepelton

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ☒

Against: ☐

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ☒

Against: ☐

[Signatures follow on next page]

X Brett Stepelton

From:

07/05/2012 14:33

#887 P.001/003

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ☒

Against: ☐

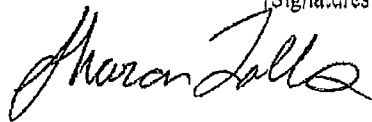
Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ☒

Against: ☐

[Signatures follow on next page]



PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ✓ Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ✓ Against: _____

[Signatures follow on next page]

Gary Bizzell

GARY BIZZELL

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For:

✓ SLJ
Sharon L. Jiner

Against:

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For:

✓ SLJ
Sharon L. Jiner

Against:

[Signatures follow on next page]

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: _____

[Signatures follow on next page]

J Stepelton

Jennifer Stepelton

BALLOT

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby cast the following vote on the following question presented at the Meeting of the partners of the Partnership held on August 17, 2012:

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____ Against: ✓

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____ Against: ✓

By: Vanet Varden

Name:

Title:

8/17/12
Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

*The vote evidenced by this ballot is taken
on behalf of all proxies that I name
as proxy & direct me to vote
against the foregoing resolution*

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: AK

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: AK

By: [Signature]

Name: ROBERT HENLEY

Title: _____

8-4-2012
Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals,

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: X _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: X _____

Against: _____

By: BEVERLY LEWIS
Name: Beverly Lewis
Title: _____

8-5-12
Date: _____

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted,

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____ Against: X

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____ Against: X

By: Joseph A. Speizio
Name: JOSEPH A. SPEIZIO
Title: Partner
Date: August 2, 2012

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: X

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: X

By: Gary Hinerman

Name: Gary Hinerman

Title: Partner

8/16/12

Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: ✓

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: ✓

By: Mark J. Rosen

Name:

Title:

8/10/12
Date

sole intestate heir
of Saul Rosen
deceased 7/18/12

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: X

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: X

By: Karen Levens

Name:

Title:

Date

8/7/12

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

BALLOT

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby cast the following vote on the following question presented at the Meeting of the partners of the Partnership held on August 17, 2012:

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER .

For: _____

Against: X

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: _____

By: Steve Jacob - Guardian Angel Trust, LLC

Name:

Title: GM

8/17/12
Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

BALLOT

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby cast the following vote on the following question presented at the Meeting of the partners of the Partnership held on August 17, 2012:

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: X

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: _____

By: Steve Jacobs

Name:

Title: Proxy

8/17/12
Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Susan Moss and Steven Jacob (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____ Against: X

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____ Against: X

THIS RECINAS ALL PRIOR PROXIES MAY 08/11/2012

By: Mary S Haslam
Name: MARY S. HASLAM
Title: _____

Date: 08/11/2012

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Susan Moss and Steven Jacob (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: X

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: X

By: Alicia W. Murray, Trustee
Name: Alicia W. Murray, as Trustee
Title: Trustee

Date: 8/12/2012

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Susan Moss and Steven Jacob (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: X

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: X

By: Adam S. Holloway
Name: ADAM S. HOLLOWAY
Title: _____

Date: 8/17/12

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Susan Moss and Steven Jacob (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: X

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: X

By: _____

Name: Scott W. Holloway

Title: Partner

Date: 8/6/12

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Susan Moss and Steven Jacob (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____ Against: ✓

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____ Against: _____

By: Paul H. Mueller
Name: Paul H. Mueller
Title: _____

Date: 05. August 2012

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Susan Moss and Steven Jacob (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: ✓

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: ✓

By: _____

Name: Barkun J. Russell

Title: Mrs.

Date: 8/7/12

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

Glen O Russell - Deceased

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Susan Moss and Steven Jacob (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____ Against: X

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____ Against: X

By: _____
Name: Denise Cram
Title: _____

Date: 8-9-12

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Susan Moss and Steven Jacob (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____ Against: X

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____ Against: X

By: _____

Name: CATHERINE MCGARELY

Title: _____

Date: 8/9/12

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Susan Moss and Steven Jacob (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: ✓

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: ✓

By: CHASE MCGAREY
Name: _____
Title: _____

(Robert Chase McGarey)

Date: 8/9/12

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Susan Moss and Steven Jacob (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: X _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: X _____

By: _____
Name: Christie C. McGarry
Title: _____

Date: 8/8/12

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Susan Moss and Steven Jacob (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____ Against: ✓

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____ Against: ✓

By: Louis S. O'Neal AND Darlene O'Neal
Name: LOUIS S. O'NEAL DARLENE O'NEAL
Title: PARTNER PARTNER

Date: August 6, 2012

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Susan Moss and Steven Jacob (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: X

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: X

By: Richard P. Long, Dora F. Long

Name: RICHARD P. LONG, DORA F. LONG

Title: PARTNER(S)

THIS RESCINDS ALL
PRIOR PROXIES
RPL DFL

Date: August 9, 2012

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Susan Moss and Steven Jacob (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: ✓

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: ✓

By: Kim D Janicek, custodian for Cody F. Janicek
Name: Kim D. Janicek
Title: _____

Date: 8/8/12

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of P & S Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Susan Moss and Steven Jacob (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: ✓

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: ✓

*** THIS REINDS ALL PRIOR PROXIES" SM ***

By: Steven Marinaro
Name: Steven Marinaro
Title: Husband

Marguerite A. Marinaro
Marguerite A. Marinaro
Wife

Date: 8/14/2012

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Susan Moss and Steven Jacob (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: ✓

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: ✓

By: _____

Name: Delia M. Maruna

Title: _____

Date: _____

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

BALLOT

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby cast the following vote on the following question presented at the Meeting of the partners of the Partnership held on August 17, 2012:

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: X

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: _____

By: Steve Jacob Gr SPT, Ltd

Name:

Title: Managing General Partner

8/17/12
Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

BALLOT

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby cast the following vote on the following question presented at the Meeting of the partners of the Partnership held on August 17, 2012:

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: ✓

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: ✓

By: Bert Moll

Name:

Title:

Date

8/17/2012

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Susan Moss and Steven Jacob (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: ✓

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: ✓

By: Bette Anne Peltzer
Name: Bette Anne Peltzer
Title: Mrs.

Date: 08.06.12

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Susan Moss and Steven Jacob (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

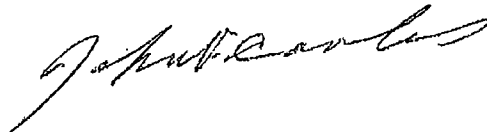
For: _____ Against: X

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____ Against: X

By: _____
Name: JOHN F & LAIS COMBS
Title: _____



Date: 08/06/12

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Susan Moss and Steven Jacob (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: ✓

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: _____

By: Brian P. Giannini

Name: BRIAN P. GIANNINI

Title: _____

Date: Aug 6 - 2012 -

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Susan Moss and Steven Jacob (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: X SW

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: X SW

By: [Signature]
Name: Gregory W. Smith
Title: Partner

Date: 8/13/2012

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Susan Moss and Steven Jacob (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____ Against: X

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____ Against: X

By: HARVEY + YVONNE POWELL
Name: Harvey Powell
Title: _____

Date: 8-7-12

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

ORIGINAL

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of S & P Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Susan Moss and Steven Jacob (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: ✓ P.A.H.

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: ✓ P.A.H.

By: PHILLIP A. HOCOTT
Name: Philip A. Horato
Title: _____

Date: AUGUST 8, 2012

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

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Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: ✓

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: ✓

By: 

Name: EDWARD M. JACOBS

Title: PARTNER OF S & P ASSOCIATES

Date: 8/7/2012

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

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SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

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Proposal Number 1:

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For: _____

Against: ✓

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: ✓

By: Rosemary Leo Sullivan
Name: ROSEMARY LEO SULLIVAN
Title: _____

Date: Aug 7 - 2012

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

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The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: X

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: X

By: _____

Name: Katherine F. Astley

Title: _____

Date: 8/10/12

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

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Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: ✓

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: ✓

By: Evelyn L. Willis

Name: Evelyn L. Willis

Title: August 10, 2012 - Partner

Date: August 10, 2012

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

EXHIBIT C
Transcript of Meeting
(see attached)

S&P ASSOCIATES
SPECIAL MEETING OF PARTNERS

350 E. Las Olas Blvd.
Suite 1000
Ft. Lauderdale, Florida
Friday, 10:00 a.m.
August 17, 2012

1 APPEARANCES:

2 BRETT STEPELTON, Chairman.

3 DAVID BLACK, Secretary.

4 MARCI SHAFFER, Inspector of Elections.

5 PATRICIA BOEHM, Police Officer.

6

7 ALSO PRESENT:

8 Margaret SMITH

9 CAROL FOX

10 JANET JORDAN

11 ETAN MARK

12 LEONARD SAMUELS

13 DOUG STEPELTON

14 GARY CHAPMAN

15 SCOTT HOLLOWAY

16 CHAD PUGATCH

17 ROBERT RUBIN

18 VIRLEE STEPELTON

19 DOROTHEA MAREMA

20 STEVE JACOB

21 WAYNE HORWITZ

22 CINDY WALLICK

23 BURT MOSS

24 PAUL SINGERMAN

25 MORRIS BROWN

1 MR. STEPELTON: If I can have everyone's
2 attention.

3 Good morning ladies and gentlemen, and
4 welcome to the August 17, 2012 special meeting of the
5 partners of S&P Associates.

6 I am Brett Stepleton, the chairman of the
7 special meeting.

8 At this time this S&P special meeting of
9 partners will come to order.

10 Marci Shaffer has been appointed as
11 inspector of elections of this meeting.

12 I'm appointing David Black as secretary of
13 the meeting.

14 David, please proceed.

15 MR. BLACK: Thank you.

16 At this time I would like anyone who is not
17 a partner in S&P Associates to introduce themselves.

18 As Brett mentioned, I'm David Black from
19 Berger Singerman.

20 MS. FOX: I'm Carol Fox. I'm not a direct
21 partner in S&P, but my children are.

22 MR. SAMUELS: Lenny Samuels, Berger
23 Singerman.

24 MR. MARK: Etan Mark, Berger Singerman.

25 MR. BROWN: Morrie Brown, Berger Singerman.

1 MR. KELLY: Patrick Kelly, Stacey
2 Foundation.

3 MR. SINGERMAN: I'm Paul Singerman with
4 Berger Singerman.

5 MS. SMITH: I'm Maggie Smith -- Glass
6 Ratner.

7 MR. RUBIN: I'm Robert Rubin, partner in
8 Becker & Poliakoff, Helen Chaitman's partner.

9 MR. PUGATACH: Chad Pugatch -- Rice,
10 Pugatch, Robinson & Schiller -- partnership counsel
11 on behalf of the current managing partner.

12 MS. SHAFFER: Marci Shaffer, Berger
13 Singerman, inspector of elections.

14 MR. BLACK: Thank you all.

15 I'll now summarize the rules and procedures
16 that you all received upon entry.

17 To confirm, does anyone still require a
18 copy of the rules and procedures?

19 Okay.

20 Anyone who has not previously handed in a
21 proxy or would like to change his or her vote must
22 see the inspector of elections to receive a ballot.

23 After I read the motions before the
24 partners I'll entertain discussion prior to that
25 vote.

1 Only people noted as partners in the
2 inspector of elections roster or their designees, as
3 well as the current managing general partner or his
4 designee, may speak at the meeting during that
5 discussion period. One person may speak at a time,
6 after being called upon by me.

7 Discussion is limited to five minutes per
8 speaker, and anyone who refuses to cease discussion
9 after five minutes after admonition from me will be
10 removed by Officer Boehm for trespassing.

11 After the discussion period I'll call the
12 vote and direct ballots to be returned to the
13 inspector of elections.

14 If more than one person seeks to vote a
15 partner's interest the inspector of elections will
16 determine which vote to accept.

17 I've been informed by the inspector of
18 elections that a quorum is present, and I declare
19 this meeting is duly qualified to transact business.

20 The following proposals are before the
21 partners in this meeting: First, to replace Michael
22 D. Sullivan as managing general partner with Margaret
23 J. Smith.

24 Two, if proposal number one passes, to
25 amend the partnership agreement of S&P Associates to

1 reflect the change in managing general partner.

2 If prior to voting on the foregoing
3 proposals anyone would like to comment in accordance
4 with the rules and procedures for this meeting,
5 please raise your hand and wait to be called upon by
6 me.

7 If you'd like, once called upon you can use
8 the podium.

9 Would anyone like to discuss at this time?

10 MR. PUGATCH: (Indicating).

11 MR. BLACK: Sir?

12 MR. PUGATCH: Chad Pugatch again.

13 These are in the nature of questions, and
14 just in order to protect the integrity of the process
15 we would like to make sure that we proceed
16 accordingly.

17 According to paragraph I think it's 8.04
18 of the partnership agreement it required a 51 percent
19 vote, or at least quorum, in order to call the
20 special meeting, and we've not seen evidence that
21 there was a 51 percent number obtained in order to
22 call the meeting.

23 So before you get into a vote as to the
24 51 percent, we'd just like you to put on record for
25 the purpose of the meeting what you have to show that

1 there was a proper amount of votes to call the
2 meeting.

3 MR. BLACK: Thank you.

4 You are correct that 51 percent of the vote
5 is required to call this special meeting. 51 percent
6 of the vote was received. It was evidenced in the
7 notice of special meeting delivered to all the
8 partners, and we'll deliver that after the meeting in
9 conjunction with the meeting minutes.

10 MR. PUGATCH: It was our understanding in
11 looking at what was attached to the notice that you
12 counted in the 51 percent certain votes that were
13 limited partners of SPJ and were not directly
14 partners of S&P.

15 If that is the case we'd like an
16 explanation as to how those people are qualified in
17 order to be part of the 51 percent majority.

18 MR. BLACK: You're correct. A majority of
19 the partnership in interest in SPJ voted on behalf of
20 SPJ to vote its interest to call this meeting.

21 MR. PUGATCH: SPJ is a limited partnership,
22 and, therefore, only the general partners of the
23 partnership are qualified to act on behalf of the
24 partnership.

25 What is the response on that?

1 MR. BLACK: We determined the vote of SPJ,
2 as I stated, and if you'd like to challenge that you
3 can find the appropriate forum to do so.

4 Any other questions?

5 MR. PUGATCH: Do you have a forum prepared
6 for challenging?

7 MR. BLACK: I'm sure you can find one.

8 Do you have any other questions?

9 MR. PUGATCH: No other questions on that
10 level.

11 MR. BLACK: Anyone else?

12 Yes.

13 MR. JACOB: Steve Jacob.

14 How were the percentages calculated? What
15 method was used?

16 MR. BLACK: We determined who the partners
17 were, what interest they had, and once we reached
18 51 percent of those interests voted, that passed.

19 MR. JACOB: I apologize, but was it as of
20 yesterday or when your letter went out? Was it based
21 on a last statement balance before Madoff?

22 How did you determine that percentage? Is
23 it a mix of different things?

24 MR. BLACK: It was the partnership interest
25 in place when the notice was made.

1 MS. FOX: May I speak?

2 MR. BLACK: Sure.

3 MS. FOX: Steve, to answer your question,
4 the interest in the partnership was based on the net
5 equity method of accounting -- cash in, cash out --
6 as of -- that's currently in the partnership.

7 Does that answer your question?

8 MR. JACOB: It answers the question of how
9 you determined it, yes.

10 MR. BLACK: Would anyone else like to
11 speak?

12 MR. PUGATCH: David, just to clarify, you
13 said that we need to file a form.

14 I'm not sure where the procedures come from
15 that says you need to file a form. We have a court
16 reporter present who is recording all of this.

17 I was just saying on behalf of the current
18 managing partner we do challenge the calculation of
19 the 51 percent necessary to call the meeting on the
20 basis that limited partners of SPJ were not entitled
21 to participate in this vote and that only the general
22 partners of SPJ were entitled to vote on behalf of
23 the limited partnership.

24 MR. BLACK: Noted. Thank you.

25 MR. SINGERMAN: Just to be clear, Chad, he

1 referred to the word "forum" not "form."

2 MR. PUGATCH: Okay. I apologize. I
3 thought he said "form" -- F-O-R-M.

4 If this is the appropriate forum, I have
5 just exercised that right to at least place that
6 position of record.

7 MR. BLACK: Thank you for that
8 clarification, Paul.

9 MR. SAMUELS: I'd like to say a few words.
10 Good morning, and thank you all for
11 attending this very important meeting.

12 My name is Leonard Samuels, and our law
13 firm, Berger Singerman, represents a group of
14 investors who have lost millions of dollars in their
15 investments in the S&P partnership.

16 As previously stated, the purpose of this
17 meeting is to vote to replace the managing partner
18 of the partnership, Mr. Michael Sullivan, and the
19 proposal is to replace Mr. Sullivan with Ms. Margaret
20 Smith, a CPA with the firm of Glass Ratner.

21 Ms. Smith is not only a certified public
22 accountant, but also an expert in business valuations
23 and a certified fraud examiner and we believe would
24 be very appropriate for the position.

25 I've read the recent correspondence from

1 Mr. Sullivan suggesting that there isn't a lot to be
2 done -- just the wind down.

3 Well, we disagree and believe there is a
4 lot to be done to make people whole in this
5 situation.

6 For example, there's a lawsuit that's been
7 filed on July 25th, presumably at the direction of
8 Mr. Sullivan, which seeks a declaration from the
9 Court as to how the money is to be distributed, and
10 that must be dealt with, and very important issues
11 need to be resolved there.

12 In the interim there are concerns
13 expressed by many partners about the management of
14 the partnership. Many of you have seen the lawsuit
15 filed by the trustee for the estate of Bernie Madoff
16 that makes certain allegations that are very
17 significant and troubling.

18 In a section of the lawsuit it talks about
19 Avellino's and Bienes' attempt to find front men for
20 the use of new partnerships to continue to funnel
21 money to BLMIS.

22 Mr. Avellino and Mr. Bienes are not allowed
23 to sell securities. They've been barred by the SEC
24 from doing this, and they're not allowed to
25 participate in such actions.

1 Again, these are allegations made by
2 Mr. Picard in the Madoff litigation.

3 I raise this point only to say that we're
4 not the only ones concerned with the management of
5 the partnership -- that these concerns have been
6 raised by others who have looked at this situation.

7 But it's not Mr. Picard's job to
8 investigate and potentially prosecute these claims.
9 It's the job of the managing general partner of the
10 partnership, and Mr. Sullivan appears to be in no
11 position to either assess those claims or look at
12 those claims.

13 Extensive forensic accounting work has
14 already been done and paid for by my client to
15 conduct a careful review of the books and records
16 of the partnership that have been provided.

17 There have been no electronic records
18 provided, which we find somewhat astonishing in
19 today's day and age, but, in any event, we don't
20 want to get into too many details in what your
21 findings are, but there is an exhaustive review that
22 has revealed significant lapses in connection with
23 the management of the partnerships.

24 There are millions of dollars that were not
25 accounted for that apparently were not invested in

1 the Madoff funds.

2 The forensic accounting also showed that
3 in the S&P partnership Michael D. Sullivan &
4 Associates received over 3.8 million dollars in fees.

5 Another entity called Sullivan & Powell
6 received almost 2 million dollars in fees.

7 Although the P&S partnership is not
8 meeting at this moment, it's worth noting that
9 Michael Sullivan & Associates received over 1.7
10 million dollars in fees.

11 In connection with that, nearly \$750,000
12 was distributed to an entity called the Kelco
13 Foundation, and over \$600,000 was distributed to
14 Sullivan & Associates.

15 Again, this is based upon the preliminary
16 forensic review that has taken place, so that's
17 nearly 8 million dollars we're talking about and,
18 according to the partnership records, tens of
19 thousands of dollars, like I said, were earmarked
20 for distribution in Mr. Avellino and Bienes.

21 This is not a ploy to run up attorneys'
22 fees to the detriment of the partnership. It's worth
23 noting that my clients have lost collectively many
24 millions of dollars, and they're motivated by one
25 goal, and that is to recover as much money for the

1 partnerships as possible for distribution among the
2 partners.

3 My clients do not believe that Mr. Sullivan
4 is the appropriate person to achieve that goal, and
5 for that reason on behalf of my clients we would seek
6 the removal and vote in favor of the removal of
7 Mr. Sullivan as the managing partner.

8 Thank you.

9 MR. PUGATCH: May I briefly just state
10 that I don't want by silence here to have that create
11 the indication that Mr. Sullivan agrees with any of
12 the allegations. I'm not here to refute them or to
13 otherwise act on his behalf in that regard.

14 I'm simply here for purposes on behalf of
15 the partnership of preserving the integrity of the
16 process, so I just don't want by my silence to have
17 that count as any kind of admission or acquiescence
18 by him.

19 MR. BLACK: Can you confirm for the record
20 who you represent?

21 MR. PUGATCH: Chad Pugatch on behalf of the
22 partnership at the representation and request of the
23 current managing general partner.

24 MR. BLACK: Thank you.

25 Anyone else who would like to speak before

1 the vote is taken?

2 MS. FOX: I would.

3 MR. BLACK: Sure.

4 MS. FOX: Thank you.

5 Good morning. I'm Carol Fox. I'm a senior
6 managing director in the Miami office of Glass Ratner
7 Advisory & Capital Group. With me here today is
8 Margaret Smith, the proposed new general managing
9 partner.

10 Ms. Smith will make her introduction
11 shortly.

12 My introduction is as follows: I am a
13 certified public accountant, certified fraud
14 examiner, certified insolvency and restructure
15 advisor. For over a decade I have investigated
16 and/or testified on matters involving white collar
17 crime and investor fraud in cases as large as
18 one billion dollars under management.

19 I'd like to briefly expand on Mr. Samuel's
20 points regarding Mr. Avellino's and Mr. Bienes'
21 involvement in the partnership as well as the
22 discrepancy in the funds that were not invested in
23 BLMIS, or Madoff, so if you'll just bear with me a
24 moment.

25 With regard to Mr. Avellino and

1 Mr. Bienes, management calculations prepared on
2 behalf of S&P and P&S specifically reference amounts
3 due and accrued on behalf of "A and B" on behalf of
4 investors including, but not limited to, James
5 Jordan, Matthew Carone and Elaine Ziffer.

6 These fees were not paid directly from the
7 partnerships. Nonetheless, the passthrough entities
8 that paid these accrued management fees to Avellino
9 and Bienes requires a further investigation via
10 analysis of books and records of potentially Michael
11 D. Sullivan & Associates and/or Michael Sullivan,
12 personally.

13 Additionally, correspondence contained in
14 the partnership files indicates that at least
15 Mr. Avellino was consulted on and directed numerous
16 partnership decisions from inception through the
17 lifespan of the partnerships.

18 With regard to the funds that were not
19 invested in Madoff we have complete banking records
20 with regard to P&S, and we were able to determine
21 that 26.9 million of investor funds were received by
22 P&S.

23 On the other side, 22.8 million dollars was
24 invested in BLMIS, leaving a discrepancy of
25 four million dollars.

1 We do not have complete banking records
2 with regard to S&P, and are missing in the aggregate
3 over various periods of time the accumulation of two
4 years' worth of records.

5 Nonetheless, it's important to note that
6 based on the investor register maintained for S&P
7 approximately 64 million dollars was received in
8 funds by S&P, and of that amount 41.7 million dollars
9 was invested in Madoff, leaving a discrepancy of
10 22.3 million dollars potentially.

11 So with respect to those two points, that
12 is upon what our analysis is founded.

13 Also, with regard to Kelco Foundation --
14 and I'll finally close with that -- review of the
15 banking records of P&S show that starting in June,
16 1994 and continuing through October, 2008 fifty
17 checks totaling \$745,000 were disbursed to Kelco
18 Foundation, a not for profit entity founded by
19 Monsignor Vincent Kelly.

20 These fees directly related to the
21 introduction of at least 19 investors to P&S by
22 Monsignor Kelly.

23 These management fees were treated as
24 charitable contributions on the tax return of P&S,
25 and passed through to investors on their K-1s as,

1 quote, expenses related to portfolio income.

2 Are there any questions?

3 Thank you.

4 MR. BLACK: Is there anyone else who would
5 like to speak?

6 MR. GREEN: (Indicating) .

7 MR. BLACK: You have one minute remaining
8 of your five.

9 MR. JACOB: I apologize, because I thought
10 I only asked one very short question.

11 MR. BLACK: The discussion surrounding your
12 question took four minutes.

13 MR. JACOB: Thank you.

14 My question is simply: What is the new
15 managing partner proposing as to bringing more money
16 to the partnership that was stated?

17 We've not heard a single idea of that, so
18 that's my question.

19 We're hearing what they feel is wrong, but
20 there's nothing there to state they they can bring
21 more money into the partnership.

22 MR. BLACK: Your question is stated.

23 If anyone would like to answer that,
24 they're welcome to, but they're not required to.

25 Would anyone else like to speak?

1 MR. HOLLOWAY: Yes. My name is Scott
2 Holloway. I'm a partner.

3 We're general partners, and as general
4 partners any business decision that we make is all
5 collegiately and done together as a partnership,
6 typically not filled with a room of lawyers and such.

7 Going to the positive, I acknowledge and
8 appreciate the goal of recovering the maximum
9 dollars. I think all of us want that.

10 Wouldn't you agree? That's what we're all
11 about.

12 So my question is: What is the business
13 plan with the proposed engagement of the new managing
14 partner? What's the cost/benefit? What is the
15 timeframe? And what expectations should we as
16 partners have with respect to the engagement of the
17 new professionals that are proposed, or will be
18 proposed, by and under the new managing general
19 partner?

20 I think that's a pretty legitimate
21 question, because it's not only how much money is
22 recovered, but on a net basis I think is what really
23 counts.

24 MR. BLACK: Thank you.

25 If anyone would like to respond to that,

1 they're welcome to.

2 MR. MARK: I'm happy to.

3 Etan Mark with the law firm of Berger
4 Singerman. I think it's a very fair question.

5 We have not yet had the benefit of the full
6 review of all the books and records -- that point has
7 been made a couple of times now -- so the question
8 is: What are the next steps once we get in these
9 professionals, and I think that as Mr. Samuels'
10 presentation made clear, and as Ms. Fox' presentation
11 made clear, based on our review of what we've seen to
12 date there are significant concerns as to how the
13 partnerships have been managed, so our intention is:
14 Once we can gainful access to the books and records
15 to review the books and records, and at that point
16 ascertain what those next steps are.

17 There's millions of dollars that are
18 unaccounted for. That's a fact. So we need to
19 figure out where that money went and take the
20 appropriate steps to recover that money, whether
21 it's additional lawsuits, whether it's demands on
22 individuals, whether it's demands on the foundation,
23 whatever it is to do to get that money into the
24 estate needs to be done, and it's our view very
25 simply that Mr. Sullivan is not the person to do

1 that.

2 MR. HOLLOWAY: I thank you for that
3 response.

4 Do you have a ballpark idea as to timeframe
5 and price tag on this? I understand there's initial
6 findings that you have to go through and then it's a
7 go or no go -- maybe things are proven up or clarity
8 has come to the situation and we don't have to move
9 forward -- but, I mean, are we talking one month?
10 One year? Five years?

11 What's the best guess on this from Berger
12 Singerman?

13 MR. SINGERMAN: I think that, sir, is a
14 completely legitimate and in principle a fair
15 question.

16 I've spent my entire career working in or
17 around matters like this, and the best answer that
18 I can give you is the time and cost that will be
19 expended in exploring the issues that have caused
20 concern for your partners around the table is most
21 directly related to how hard the putative current
22 general management will fight, and the delays,
23 roadblocks, obstacles and expense they will cause
24 the other partners to incur in getting access to the
25 records to get you the answers.

1 Doing the forensic accounting with the team
2 from Glass Ratner that has been selected will be
3 prompt, it will be efficient, and it will be right.

4 The question is how much time and money
5 will be spent getting the information that the
6 professionals need to undertake the forensic
7 accounting.

8 It would be impossible to give you a close
9 estimate without knowing what's going to happen after
10 today, assuming that the vote carries and that the
11 existing management is displaced.

12 If we hear from the current management of
13 Mr. Pugatch's client: "Okay, I understand. Where do
14 you want me to meet? I'll go to the bank and change
15 the signature cards at the bank. Here's the keys to
16 the offices. Here's all the pass codes to the
17 computer programs. Here's my laptop. Here's
18 whatever you need because I, too, want the light of
19 day to shine on the past several years' management,"
20 then I think we can get back to you in as little as
21 35 to 45 days with a pretty darned good sense of what
22 the next steps are likely to be and whether there are
23 any next steps that are appropriate.

24 If the reaction is different, then I think
25 it would be pretty hard to give a precise answer.

1 Do you think that's fair?

2 MR. HOLLOWAY: I appreciate it. It's a
3 fair response, and my comment to my partners here in
4 this room is that that being the case -- and it makes
5 total sense -- that it's incumbent upon all of us to
6 seek clarity as quickly as possible in a collegial
7 manner, whether it's with our existing managing
8 partner or a new managing partner.

9 Whatever the outcome is, it's with clarity
10 and congeniality and kindness that we need to pursue
11 the facts, and let's get those facts, and I'm not so
12 sure that we have to do it with a new managing
13 general partner, mostly from a cost/benefit and
14 getting them ramped up -- the folks -- I saw your
15 credentials, great credentials really, but once you
16 come on in, let's get started right now in the most
17 cost effective manner. That's all I'm saying.

18 We do need answers -- that is true -- and
19 let's do it in the most cost effective, kindest way
20 we can possibly can.

21 MR. BLACK: Your five minutes is up.

22 MR. SAMUELS: The only thing I'd like to
23 say is there has been some forensic work done already
24 by my clients, as I pointed out in my initial
25 comments, and the comments I made are based upon some

1 of the records we've reviewed already, so it's not
2 as though the new management would be starting from
3 scratch in that process.

4 MS. FOX: I have one minute left. Right?

5 MR. BLACK: No. You don't. Sorry.

6 MS. FOX: Sorry.

7 MR. BLACK: Would anyone else like to speak
8 who has not already used up their five minutes?

9 Okay. This concludes the discussion period.

10 Once again, if anyone has not handed in a
11 proxy or would like to change his or her vote, please
12 so indicate and the inspector of elections will
13 either collect your proxy or provide a ballot to you.

14 If you have submitted a proxy card and you
15 do not wish to change your vote, you do not need to
16 do anything at this point.

17 MR. HORWITZ: (Indicating).

18 MR. BLACK: Yes?

19 MR. HORWITZ: I need a proxy card.

20 My name is Wayne Horwitz. I'm the Trustee
21 for my parents, Howard and Joyce Horowitz, living
22 trust.

23 MR. BLACK: Thank you.

24 Anyone else who entered the meeting late
25 or who otherwise did not register with the inspector

1 of elections, please do that now during the voting
2 period.

3 (Short break)

4 THE COURT: This is the final call for the
5 vote.

6 Is there any registered partner present
7 today who is entitled to vote and who wants to vote
8 but has not yet signed a proxy or ballot?

9 Then I declare the polls closed while the
10 inspector of elections reviews the proxies and
11 ballots received.

12 Thank you.

13 (Short Break)

14 MR. STEPELTON: If I can have everyone's
15 attention, we're going to call the meeting back to
16 order.

17 David?

18 MR. BLACK: Thank you.

19 The meeting is called back to order.

20 The inspector of elections has provided
21 me with the voting results, and I report that the
22 partners have replaced Michael D. Sullivan as
23 managing general partner with Margaret J. Smith,
24 and voted to amend the partnership agreement of
25 S&P Associates to reflect the change in managing

1 general partners, which amendment will be included
2 with the minutes of this meeting.

3 Michael Sullivan shall provide Margaret
4 Smith with all information she requires to facilitate
5 the transition to her as managing general partner.

6 Michael Sullivan is hereby notified that
7 Ms. Smith's designee will arrive at the partnership's
8 office at 1:00 p.m. today in order to take possession
9 of S&P Associates' files, computers, records and
10 assets.

11 Michael Sullivan shall not remove any
12 files, records or assets of the partnership prior
13 to Ms. Smith or her designee taking possession or
14 control of same, and Mr. Sullivan shall have no
15 further involvement with the affairs of S&P
16 Associates.

17 There being no further business to come
18 before this meeting, I now declare this special
19 meeting of the partners of S&P Associates adjourned.

20 Thank you.

21 MR. PUGATCH: Are you going to report the
22 actual vote?

23 MR. BLACK: We had over 70 percent of the
24 vote.

25 Those people voting in favor of the meeting

1 (sic) will be reported in the meeting minutes in due
2 course.

3 MR. PUGATCH: Both partnerships?

4 MR. BLACK: This is just the meeting of S&P
5 Associates.

6 MR. BLACK: Thank you.

7 MS. WALLICK: Don't you think a clap is in
8 order? Hot dog.

9 (Whereupon, at 10:47 a.m. the meeting was
10 adjourned)

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1 CERTIFICATE OF REPORTER

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3 STATE OF FLORIDA)4 COUNTY OF DADE)
5

6 I, Suzanne Dunay Siegel, do hereby certify
7 that a board meeting of S&P Associates took place on
8 Friday, August 17, 2012, that I was authorized to and
9 did report in shorthand the proceedings in said
10 meeting; and that the foregoing pages, numbered from
11 1 to 27, inclusive, constitute a true and correct
12 transcription of my shorthand report of said
13 proceedings.

14 IN WITNESS WHEREOF, I have hereunto affixed

15 my hand this 20th day of August 2012.

16 *Suzanne Dunay Siegel*17
18 Suzanne Dunay Siegel
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EXHIBIT D
Amendment

AMENDMENT TO
AMENDED AND RESTATED PARTNERSHIP AGREEMENT

THIS AMENDMENT TO AMENDED AND RESTATED PARTNERSHIP AGREEMENT (this "Amendment") is effective as of August 17, 2012 ("Effective Date").

Preliminary Statement

The Amended and Restated Partnership Agreement (the "Agreement") of S & P Associates (the "Partnership") is dated December 21, 1994.

The Partnership held a special meeting on August 17, 2012 and voted to (i) replace Michael D. Sullivan as Managing General Partner with Margaret J. Smith and (ii) amend the Agreement of the Partnership to reflect the change in Managing General Partners.

NOW, THEREFORE, the Agreement of the Partnership is amended as follows:

Section 8.01. The first sentence of Section 8.01 of the Agreement is hereby deleted in its entirety and replaced with the following:

"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 Partner, Margaret J. Smith; notwithstanding anything herein to the contrary, all references to Managing General Partners in the Agreement shall mean Margaret J. Smith."

MINUTES OF THE
SPECIAL MEETING OF PARTNERS OF
P&S ASSOCIATES

A special meeting of P&S Associates (the "Partnership") was held on August 17, 2012 at 11:00 a.m., at 350 East Las Olas Blvd., Suite 1000, Ft. Lauderdale, FL 33301.

Brett Stepelton, a partner designee, presided over the meeting as Chairman. David Black, an attorney with Berger Singerman LLP ("Berger Singerman"), counsel for some of the partners calling the meeting, acted as Secretary of the meeting. Marci Shaffer, with the office of Berger Singerman, acted as Inspector of Elections.

Mr. Stepelton called the meeting to order, noted that Ms. Shaffer had been appointed as Inspector of Elections, and then appointed Mr. Black as Secretary of the meeting.

Ms. Shaffer handed Mr. Black the sign in sheet indicating all of those present at the meeting, a copy of which is attached to these minutes as Exhibit A.

Mr. Black then asked all non-partners in attendance to state their name. The following individuals introduced themselves: David Black, Marci Shaffer, Margaret Smith, Carol Fox, Etan Mark, Leonard Samuels, Wayne



Horwitz, Francis Mahoney, Doug Stepelton, Chad Pugatch, Robert Rubin, Patrick Kelly, Steve Jacob, Virlee Stepelton, Andy Ziffer, and Morris Brown.

Mr. Black next asked whether any person in attendance had not received a copy of the Rules and Procedures of the meeting. There being no response, Mr. Black moved on to summarizing the Rules and Procedures of the meeting. Specifically, he pointed out that:

- anyone who had not previously handed in a proxy, or would like to change his or her vote, should ask the inspector of elections to receive a ballot,
- he would read the motions coming before the meeting and then entertain discussion prior to bringing them to a vote,
- only people listed as partners in the Inspector of Elections' roster, or their designees, as well as the current managing general partner, would be allowed to speak at the meeting during the discussion period – one person would be allowed to speak at a time, after being called upon by him,
- discussion would be limited to 5 minutes per speaker and anyone who refuses to cease discussion after 5 minutes after admonition from him would be removed by Officer Boehm for trespassing,

- after the discussion period, he would submit the motion to a vote and direct ballots to be returned to the Inspector of Elections, and
- if more than one person sought to vote a partner's interest, the Inspector of Elections would determine which vote to accept.

Mr. Black then announced that the Inspector of Elections had reported that a quorum was present, and that the meeting was duly qualified to transact business.

Mr. Black next announced the motions before the partners at the meeting, namely:

- to replace Michael D. Sullivan as Managing General Partner with Margaret J. Smith, and
- if the first motion passes, to amend the partnership agreement of S&P Associates to reflect the change in Managing General Partners.

Mr. Black noted that if prior to voting on the motions before the meeting anyone would like to comment in accordance with the Rules and Procedures for the meeting, they should raise their hand and wait to be called upon by him.

At that point, Burt Moss asked how much it would cost to have "you"

pursue something that may be worthless and what "you" have done to determine the chance of recovery. Etan Mark from Berger Singerman responded that Berger Singerman and Glass Ratner have conducted extensive forensic accounting of the books and records of the Partnership, resulting in the discovery that millions of dollars are unaccounted for in the Partnership and S&P Associates. Mr. Mark continued that Mr. Sullivan is not the appropriate person to oversee the required next steps, so his clients hope to appoint a Managing General Partner that is qualified to ascertain which next steps are in the best interests of the Partnership's partners.

Mr. Moss then asked how much the proposed course of action would cost. Paul Singerman from Berger Singerman responded that the time required to pursue the steps mentioned by Mr. Mark depend nearly entirely on whether the current Managing General Partner cooperates with the proposed Managing General Partner (Ms. Smith) and her team, assuming the partners vote in favor of Mr. Sullivan's replacement with Ms. Smith. Mr. Singerman then stated that in the event Ms. Smith is greeted by Mr. Sullivan in a collaborative manner and she is afforded access to books and records, then he expects he would be able to provide advice as to next steps in 30 to 45 days. Mr. Singerman then noted that if Mr. Sullivan attempts to inhibit access to the required information, the process would

take longer and cost more money.

Mr. Moss then responded that he understood from Mr. Sullivan that there were no other documents to provide. Mr. Singerman stated that his team disagreed with that assertion.

At that point, Mr. Black asked whether anyone else would like to speak and Chad Pugatch, counsel for the Partnership, indicated he did. Mr. Pugatch asked if 51 percent of the vote had been received in order to call the meeting and what methodology was used in order to calculate the interest of each partner. Mr. Black responded that 51 percent had been received and then asked Carol Fox to respond to the question regarding methodology. Ms. Fox responded that the net equity method – cash in, cash out – was used to determine the interests in the Partnership.

Mr. Pugatch then asked if that meant “net winners” were not factored into the vote. Mr. Black confirmed that under the net equity method, people who had already received all of their money back from the Partnership were no longer partners in the Partnership.

Leonard Samuels from Berger Singerman then indicated that he would like to speak. He explained that Berger Singerman is representing a group of investors who have lost millions of dollars in their investments in the Partnership. He explained that Ms. Smith (the proposed replacement

as Managing General Partner) is not only a certified public accountant, but also an expert in business valuations and a certified fraud examiner. He noted that many partners have expressed concern regarding the management of the Partnership; as an example, he referenced the lawsuit filed by the trustee for the estate of Bernie Madoff that makes certain allegations that are very significant and troubling, such as Avellino's and Bienes's attempt to find front men for the use of new partnerships to continue to funnel money to BLMIS. Mr. Samuels explained that Avellino and Bienes are not allowed to sell securities because they have been barred from doing so by the SEC. Yet, Mr. Samuels explained, it is not the job of the trustee of the Madoff case to investigate and potentially prosecute these claims; rather, it is the job of the Managing General Partner of the Partnership, and Mr. Sullivan is in no position to either assess those claims or look at those claims.

Mr. Samuels then noted that, after a forensic accounting of the Partnership's books and records had occurred, it was discovered that:

- millions of dollars were not accounted for that apparently were not invested, and
- Michael D. Sullivan & Associates received over 3.8 million dollars in fees, while another entity named Sullivan and Powell

received almost 2 million dollars in fees.

Mr. Samuels also noted that Michael D. Sullivan & Associates received over 1.7 million dollars in fees, with nearly \$750,000 of that being distributed to an entity called the Kelco Foundation, and over \$600,000 to Sullivan & Associates. Mr. Samuels noted that these fees totaled almost 8 million dollars. Mr. Samuels then explained that tens of thousands of dollars were earmarked for distribution to Messrs. Avellino and Bienes. Finally, Mr. Samuels noted that the intent of the proposals was to enable the partners to recover as much money for the Partnership as possible for distribution among the partners. Finally, he asserted that his clients do not believe Mr. Sullivan is the appropriate person to achieve that goal.

At that point, Mr. Black asked if anyone else would like to speak, and Ms. Fox indicated she would like to do so. Ms. Fox mentioned that she was a senior managing director of Glass Ratner Advisory & Capital, a certified public accountant, certified fraud examiner, and certified in insolvency and restructuring, who has investigated and/or testified on matters involving white collar crime and investor fraud in cases as large as one billion dollars under management.

Ms. Fox then explained that according to the Partnership's banking records, the Partnership received \$26.9 million of investor funds, but only

\$22 million was invested in BLIMS, leaving a discrepancy of \$4 million. Ms. Fox then noted that, with the limited banking records she received for S&P Associates, approximately \$64 million was received by S&P Associates, yet only \$41.7 million was invested in BLIMS, leaving a potential discrepancy of \$22.3 million unaccounted for.

Ms. Fox continued by expanding on Mr. Samuels's comments regarding Messrs. Avellino and Bienes, noting that management calculations prepared on behalf of the Partnership specifically reference amounts due and accrued on behalf of "A and B" on account of them bringing in investors including, but not limited to, James Jordan, Matthew Carone, and Elaine Ziffer. Ms. Fox noted that, because these fees were not paid directly from the Partnership, but rather through passthrough entities that paid those accrued management fees to Messrs. Avellino and Bienes, a further investigation is required relating to potential recoveries from Michael D. Sullivan & Associates and/or Michael Sullivan, personally. Ms. Fox reiterated Mr. Samuels's comment that, in the aggregate, entities controlled by Michael D. Sullivan and Associates received almost \$8 million in management fees. Ms. Fox then explained that correspondence contained in the Partnership files indicate that at least Mr. Avellino was consulted with respect to, and directed, numerous Partnership decisions

from inception through the lifespan of the Partnership.

Ms. Fox then noted that banking records of the Partnership show that from 1994 to 2008, sixty checks totaling more than \$745,000 were disbursed to Kelco Foundation, a foundation founded by Monsignor Vincent Kelly, which fees directly related to the introduction of at least 19 investors to the Partnership by Monsignor Kelly. Ms. Fox stated that these management fees were treated as charitable contributions on the tax returns of P&S Associates however they were passed through to investors in their K-1s as "expenses related to portfolio income."

Ms. Fox then concluded by pointing out that, even based on the 2009 tax returns and investors' investments as reflected on the 2009 tax return, over 51 percent of the vote was attained.

Mr. Jacob then asked Ms. Fox if the report she mentioned would be available to all partners. Mr. Samuels noted that since the report was done on behalf of his clients under the auspices of attorney/client privilege, it would not be available at that time.

At that time, Mr. Black asked if anyone else would like to speak, and Mr. Mark stated that he wished for a clarification regarding Mr. Pugatch's question about the net winners. At that point, Mr. Black confirmed that the vote of net winners was not considered.

Francis Mahoney stated that he had been told months prior that if Mr. Sullivan was not removed as Managing General Partner by the end of the year, a certain amount of money in escrow would not be distributed to the Partnership. Mr. Mahoney then asked if anyone could expound on that issue. No one responded to this question.

Mr. Black then asked if anyone else would like to speak, and Steve Jacob stated he would. Mr. Jacob asked for an estimated dollar amount that it would cost to pursue the steps proposed by the proponents of Mr. Sullivan's removal and replacement. Mr. Singerman began to answer Mr. Jacob's question, but Mr. Jacob then chose not to have Mr. Singerman continue.

Mr. Black then asked if any other person wished to speak. There being none, Mr. Black announced that the discussion period was over.

At this time, Mr. Black noted that if anyone had not handed in a proxy or would like to change their vote, they should so indicate and the Inspector of Elections would either collect their proxy or provide a ballot to them.

After distribution of ballots and proxies by the Inspector of Elections, Mr. Black reiterated the specific motions before the meeting and announced that the polls were open.

While the polls were open, Mr. Moss noted that he has dealt with

lawyers in this matter and, each time, it cost him thousands of dollars for no results. In response, Mr. Singerman asked if Mr. Moss had dealt with lawyers at Berger Singerman in connection with these matters, and Mr. Moss confirmed that he had not.

Various partners and proxies then completed ballots and submitted ballots and proxies to the Inspector of Elections. Mr. Black then confirmed that all partners present in person or by proxy had been given the opportunity to vote. Mr. Black closed the polls. The Inspector of Elections then tallied the votes in favor of and against the proposals.

After a short break, Mr. Stepelton called the meeting back to order, then asked Mr. Black to proceed.

Mr. Black then announced that he had been advised by the Inspector of Elections of the voting results and that the Partnership's partners had replaced Michael D. Sullivan as Managing General Partner with Margaret J. Smith and voted to amend the partnership agreement of the Partnership to reflect the change in Managing General Partners, which amendment would be included with the minutes of this meeting.

Mr. Black then stated that Michael Sullivan:

- should provide Margaret Smith with all information she requires to facilitate the transition to her as Managing General Partner,

- was being put on notice that Ms. Smith's designee would arrive at the partnership's office at 1 p.m. that afternoon in order to take possession of S&P Associates' files, computers, records, and assets,
- should not remove any files, records, or assets of the partnership prior to Ms. Smith or her designee taking possession or control of same, and
- should have no further involvement with the affairs of S&P Associates.

Thereafter, Mr. Black provided Messrs. Pugatch and Rubin formal notice reiterating the directives in regards to Mr. Sullivan that Mr. Black had just stated, as to both the Partnership and S&P Associates. Mr. Pugatch acknowledged receipt of the notice, but stated that he did not control Mr. Sullivan or have the ability to deliver the notice to him prior to 1 p.m., noting that he is not at his office. Mr. Pugatch then stated that he was not opining as to whether Mr. Sullivan takes the position that the events which transpired over the course of the day were legal. At that point, Mr. Rubin also acknowledged receipt of the notice.

Mr. Rubin asked what the percentage of the vote in favor of the motions was, and Mr. Black responded that it was over 56 percent. Mr.


Black then noted that the votes would be reported in the meeting minutes.

Mr. Black adjourned the meeting at approximately 11:55 a.m.

A copy of the vote results, certified by the Inspector of Elections, is attached to these minutes as Exhibit B.¹

A copy of the transcript from the meeting, certified by the meeting's stenographer – Suzanne Dunay Siegel – is attached to these minutes as Exhibit C.

A copy of the amendment to the partnership agreement of the Partnership is attached to these minutes as Exhibit D


Secretary of the Meeting

Approved:


Chairman of the Meeting

¹ Those ballots and proxies are attached to these meeting minutes as Exhibit B. The proxy of Abraham Newman was not counted because, under the net equity method of accounting which was employed to determine partnership interests, Mr. Newman has received a full return of his investment and therefore has no further interest in the Partnership.

EXHIBIT A
Sign In Sheet

(see attached)

**P & S ASSOCIATES
SPECIAL MEETING OF PARTNERS
FRIDAY, AUGUST 17, 2012
SIGN IN**

SIGNATURE	PRINTED NAME	PARTNER	OTHER & CAPACITY
<i>Maggie Smith</i>	Maggie Smith		Other
<i>Carol Fox</i>	Carol Fox	✓	Financial Advisor
<i>Janet C Jordan</i>	Janet C Jordan	✓	
<i>Brett D. Stepleton</i>	Brett Stepleton	✓	
<i>P. Kelly</i>	P. Kelly		Advisor
<i>ROGER BOND</i>	ROGER BOND	✓	
<i>Andy Ziffer</i>	Andy Ziffer		Representative
<i>ETAN MARK</i>	ETAN MARK		Attorney
<i>Judith Chapman</i>	JUDITH CHAPMAN	✓	
<i>GARY CHAPMAN</i>	GARY CHAPMAN	✓	
<i>Chad Pughatch</i>	Chad Pughatch		A Horneey
<i>Robert Rubin</i>	Robert Rubin		Attorney
<i>Bryt Moss</i>	Bryt Moss	✓	
<i>Cindy Wallick</i>	Cindy Wallick		
<i>VIRLEE STEPLETON</i>	VIRLEE STEPLETON		
<i>Doug STEPLETON</i>	Doug STEPLETON		
<i>FRANCIS MAHONEY</i>	FRANCIS MAHONEY (rep)	✓	rep.

EXHIBIT B
Vote Results

(see attached)

P & S ASSOCIATES

Special Meeting of the Partners held on August 17, 2012

Certificate of Inspector of Elections

Date of Special Meeting

August 17, 2012

Total Partnership Interests present by proxy or in person: 90.49%

I, Marci Shaffer being the Inspector of Elections of the Special Meeting of the Partners of P & S Associates held on Friday, August 17, 2012 at 11:00 a.m. at the offices of Berger Singerman LLP, 350 E. Las Olas Blvd., Suite 1000, Ft. Lauderdale, FL 33301, do hereby certify that the results of voting at said meeting were as follows after my examination of all the proxies and ballots presented to the meeting:

For removal, election and amending the Partnership Agreement: 57.40%

Against removal and amending the Partnership Agreement: 33.09%

Dated: August 17, 2012



Marci Shaffer

Inspector of Elections of Special
Meeting of Partners of P & S
Associates

P & S Associates

August 17, 2012 Meeting Vote Results*

Investor	% Net Invested Capital	Proxy or Ballot Received In Favor	Proxy or Ballot Received Against
Elaine Ziffer	5.91%	X	
Myra Friedman	5.11%	X	
Frank & Patricia Perkins	4.69%	X	
Susan King K. Plati Revocable Trust	4.56%	X	
Carone Martial Trust #2 UTD 1/26/00	4.50%	X	
James A. Jordan Living Trust	4.09%	X	
Carone Martial Trust #1 UTD 1/26/00	3.96%	X	
Carone Gallery, Inc. Pension Trust	3.01%	X	
Group Benefit Consultants, Inc.	2.91%	X	
Henry C. & Irmgard M. Koehler Trust	2.76%	X	
Carone Family Trust	2.50%	X	
Joyce Forte and Bruce & Lynn Cummings	2.21%	X	
Sandra Dydo	2.04%	X	
Robert & Suzanne Plati	1.35%	X	
Ande Anderten	1.02%	X	
Mathew D. Carone Revocable Trust	0.77%	X	
Abraham & Shirley Saland	0.67%	X	
Paul J. Frank Revocable Living Trust	0.81%		
Holy Ghost Fathers HG-Ireland, Inc.	1.19%		X
Fr. Vincent T. Kelly	0.10%		
Vincent T. Kelly Irrevocable Trust	0.31%		
Janet E. Molchan	1.28%		X
Edith & Sam Rosen	1.86%		X
Holy Ghost Fathers HG-SW Brazil	1.08%		
Susan M. & Victor G. Shaheen	0.32%		
Robin L. Costa	0.48%	X	
Paroquia De Santa Luzia	2.15%		
Mary Ellen Nickens	0.78%	X	
Cath. G. Walden Rev. Trst DTD 2/12/98	4.06%	X	
Adam C. Langley	0.42%		X
Lauren Disbury	0.05%		X
Walsh Family Trust #2	0.05%		
Walsh Family Trust #3	0.21%		
Robert G. Walsh Family Trust #3	0.04%		
Gerald Login	5.87%		X
Burt & Susan Moss	12.09%		X
W. Walte & Susan M. Willis, Jr.	0.05%		X
Robert G. Walsh Family Trust #4	0.33%		
Joan Hughes	2.02%		X
Rebekah & Richard Wills, Jr.	0.23%		
Burt Moss & Associates Inc. 401K Plan, Burt Moss & Susan Moss Trustee	4.94%		X
Alex & Angela Shanks	0.31%		
Charles L. Jordan	0.51%		
Andrea J. Acker	1.02%		
Marvin & Calla Gutter	2.04%		
Pamela S. & John F. Bogaert	0.02%	X	
Holy Ghost Fathers of Ireland, Inc.	3.32%		X
Total		57.40%	33.09%

*Abraham Newman's proxy was not considered

BALLOT

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of P & S Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby cast the following vote on the following question presented at the Meeting of the partners of the Partnership held on August 17, 2012:

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ✓ Against: ✗

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ✓ Against: ✗

By: Janet Jordan
Name: Janet Jordan
Title: Proxy

8/17/12
Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

✗ The vote evidenced by this ballot is taken on behalf of all proxies that (i) name me as proxy and (ii) direct me to vote ~~against~~ the foregoing resolution.
IN FAVOR OF

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of P & S Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 11:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ✓

Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ✓

Against: _____

Abraham Saland
Abraham Saland

Shirley Saland
Shirley Saland

Date

Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of P & S Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 11:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: X

Against: _____


Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: X

Against: _____


Robert Plati


Suzanne Plati

Date_____
Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of P & S Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 11:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ✓

Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ✓

Against: _____

Sandra Dydo
Sandra Dydo

Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of P & S Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 11:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: X Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: X Against: _____

Joyce Forte
Joyce Forte

Lynn Cummings
Lynn Cummings

Date

Bruce Cummings
Bruce Cummings

Date

Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of P & S Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 11:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ☒

Against: ☐

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ☒

Against: ☐

Henry C. & Iringard M. Koehler Trust

By: 

Name:

Title:

HENRY C. KOEHLER
TRUSTEE

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of P & S Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 11:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ✓

Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ✓

Against: _____

Carone Gallery, Inc. Pension Trust

By: Matthew D. Carone
Name: Matthew D. Carone
Title: Trustee

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF F & S ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of F & S Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 11:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in this said meeting, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For ☒ Against ☐

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANCE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For ☒ Against ☐

Carole Family Trust

Matthew D Carone
Name: *Matthew D Carone*
Title: *partner*

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of P & S Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 11:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ☒ _____

Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ☒ _____

Against: _____

Carone Marital Trust #1

By: Matthew D. Carone
Name: MATTHEW D. CARONE
Title: Trustee

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of P & S Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 11:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ✓

Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ✓

Against: _____

Carone Marital Trust #2

By: Matthew D. Carone
Name: Matthew D. Carone
Title: Trustee

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of P & S Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 11:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ✓

Against:

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ✓

Against:

James A. Jordan Living Trust

By: James A. Jordan

Name:

Title:

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

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The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: X Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: X Against: _____

Suzanne King Plati

Suzanne King X Plati Revocable Trust

Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

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The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: X

Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: X

Against: _____

Frank Perkins
Frank Perkins

Patricia J. Perkins
Patricia J. Perkins

Date

Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

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The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ☒

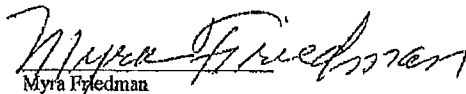
Against: ☐

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ☒

Against: ☐


Myra Friedman

Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of P & S Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 11:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stand, in the entire matter, in the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ☒ Against: ☐

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THIS CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ☒ Against: ☐

Matthew D. Carone Revocable Trust

By: Matthew D. Carone
Name:
Title: Partner Matthew D. Carone

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

• • •

THOMAS, Paul

10/17/2012

Project Number: 11

Page 10

Appendix

Typed header 1:

10

Summary

Abstract

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Very truly yours,
J. Edgar Hoover

ATTN: JANET JORDAN
DAVE BLACK

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

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The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: X Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: X Against: _____

By: Catherine G. Walden
Name: CATHERINE G. WALDEN
Title: SURVIVING CO-TENANT, CATHERINE G. WALDEN REVOCABLE TRUST DTD 02/12/1998
08/10/2012
Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

4431473-1

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of P & S Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 11:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: ✓

Against:

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: ✓

Against:

Elaine Ziffer
Elaine Ziffer

Date July 5, 2012

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of P & S Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 11:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: X

Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: X

Against: _____

By: Robin L. Costa

Name: ROBIN L. COSTA

Title: partner

Date: July 23, 2012

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of P & S Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 11:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: X Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: X Against: _____

By:
Name:
Title:

John F. Bogart Pamela S. Bogart (Indeker)

Date

7-27-12

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of P & S Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 11:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: X

Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: X

Against: _____

Group Benefit Consultants, Inc.

By: [Signature]
Name: CARY R. CHAPMAN / SMOOTH M. CHAPMAN
Title: TRUSTEE

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

BALLOT

SPECIAL MEETING OF THE PARTNERS OF ~~S & P~~ ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of ~~S & P~~ Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby cast the following vote on the following question presented at the Meeting of the partners of the Partnership held on August 17, 2012:

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: X Against: _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: X Against: _____

By: Francis J. Mahoney, Jr.
Name: FRANCIS J. MAHONEY, JR.
Title: (REPRESENTATIVE OF MARY ELLEN NICKENS)

17 Aug. 2012
Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

BALLOT

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of P & S Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby cast the following vote on the following question presented at the Meeting of the partners of the Partnership held on August 17, 2012:

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: ✓ ✗

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: ✓ ✗

By: Janet Jordan

Name: Janet Jordan

Title: Proxy

Date

8/17/12

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

✗ The vote evidenced by this ballot is taken on behalf of all proxies that (i) name me as proxy and (ii) direct me to vote against the foregoing resolution.

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of P & S Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 11:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: X I VOTE AGAINST

Gerard Login
GERARD LOGIN

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: X I vote against

Gerard Login
GERARD LOGIN

By: Gerard Login

Name: Gerard Login

Title: General Partner

Date: 8/6/12

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of P & S Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Janet Jordan and Roger Bond (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 11:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: ✓

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: _____

By: [Signature]

Name: _____

Title: _____

Date: 7/26/12

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

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The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: X

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: X

By: [Signature]
Name: Janet Molchan
Title: Gen. Partner

7/20/12
Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

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For: _____

Against: _____ ✓

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: _____ ✓

By: W. Waite Willis
Name: W. Waite Willis, Sr.
Title: _____

Susan M. Willis
Susan M. Willis

8/12/12
Date

8/12/12

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

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Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: ✓

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: ✓

By:

Name:

Title:

Date

Adam + Tonya Langley
8-12-12

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

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The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: ✓

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: ✓

By: Susan H. Moss / Burt H. Moss

Name: Burt + Susan Moss

Title: _____

Date: 8-5-12

I have 3 Accounts
(Joint IRA 401k) I vote against
for all three

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

Burt H. Moss
Burt H. Moss
Trustee

BALLOT

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of P & S Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby cast the following vote on the following question presented at the Meeting of the partners of the Partnership held on August 17, 2012:

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: ✓

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: _____

By: Steve Jacob

Name:

Title: Partner

8/17/12
Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being a partner of P & S Associates, a general partnership (the "Partnership"), entitled to vote at a special meeting (the "Meeting") of the partners of the Partnership, does hereby constitute and appoint the following person(s) in the following order, namely, Susan Moss and Steven Jacob (each, a "Proxy Holder"), to be my true and lawful agent, with full power of substitution, to attend the Meeting of the members of the Partnership to be held on August 17, 2012 at 10:00 a.m. or any continuation or adjournment thereof, with full power to vote and act for me and in my name and stead, in the same manner, to the same extent, and the same effect that I might, were I present in person.

The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____ Against: ☒ _____

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____ Against: ☒ _____

By: Lauren Disbury
Name: Lauren Disbury
Title: _____

Date: 8-10-12

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

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The Proxy Holder(s) shall cast a vote for or against the following proposals.

Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____

Against: X

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: X

By: Sam Rosen Edith Rosen

Name: SAM ROSEN - EDITH ROSEN

Title: PARTNERS - OWNERS

Date: 08/09/2012

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

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Proposal Number 1:

AS TO THE PROPOSED REMOVAL AND REPLACEMENT OF THE MANAGING GENERAL PARTNER

For: _____ Against: ✓

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____ Against: ✓

By: Tom Basquel
Name: THOMAS BASQUEL
Title: PROVINCIAL DELEGATE - HOLY GHOST FATHERS OF A
IRELAND
UK
Date: 08/06/12

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

PROXY

SPECIAL MEETING OF THE PARTNERS OF S & P ASSOCIATES

August 17, 2012

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Proposal Number 1:

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For: _____

Against: Against

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: _____

By: D. Corey C. G. P.

Name: DIARMUID CASEY

Title: Financial Officer of 16th Street Partners L.P.

Date: 8/7/2012

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

(JWP)

PROXY

SPECIAL MEETING OF THE PARTNERS OF P & S ASSOCIATES

August 17, 2012

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For: _____

Against: ✓

Proposal Number 2:

AS TO AMENDING THE PARTNERSHIP'S PARTNERSHIP AGREEMENT TO REFLECT THE CHANGE OF MANAGING GENERAL PARTNER (IF PROPOSAL NUMBER ONE PASSES)

For: _____

Against: ✓

By: Abraham Newman
Name: ABRAHAM NEWMAN
Title: _____

8/13/12
Date

Voting will occur at the Meeting, and at the conclusion of the Meeting, polling will close and proxies and/or ballots will be counted.

4431473-1

EXHIBIT C
Transcript of Meeting

(see attached)

P&S ASSOCIATES
SPECIAL MEETING OF PARTNERS

350 E. Las Olas Blvd.
Suite 1000
Ft. Lauderdale, Florida
Friday, 11:00 a.m.
August 17, 2012

1 APPEARANCES: BRETT STEPELTON, Chairman.
2 DAVID BLACK, Secretary.
3 MARCI SHAFFER, Inspector of Elections.
4 PATRICIA BOEHM, Police Officer.

5
6 ALSO PRESENT: MARGARET SMITH
7 CAROL FOX
8 JANET JORDAN
9 PATRICK KELLY
10 ROGER BOND
11 ANDY ZIFFER
12 ETAN MARK
13 JUDITH CHAPMAN
14 GARY CHAPMAN
15 CHAD PUGATCH
16 ROBERT RUBIN
17 BURT MOSS
18 CINDY WALICK
19 VIRLEE STEPELTON
20 DOUG STEPELTON
21 FRANCIS MAHONEY
22 WAYNE HORWITZ
23 LEONARD SAMUELS
24 PAUL SINGERMAN
25 MORRIS BROWN

1 MR. STEPELTON: Good morning, ladies and
2 gentlemen. Welcome to the August 17, 2012 special
3 meeting of the partners of P&S Associates.
4 I'm Brett Stepelton, the chairman of the special
5 meeting.

6 At this time the P&S Associates special
7 meeting of partners will come to order.

8 Marci Shaffer has been appointed as
9 inspector of elections in the meeting. I'm
10 appointing David Black as secretary of the meeting.

11 David, please proceed.

12 MR. BLACK: Thank you.

13 At this time I'd like anyone who is not a
14 partner in P&S Associates to state their name for the
15 record.

16 I'm David Black from Berger Singerman.

17 MS. FOX: Carol Fox -- Glass Ratner
18 Advisory & Capital Group.

19 MR. SAMUELS: Leonard Samuels, Berger
20 Singerman.

21 MR. MARK: Etan Mark, Berger Singerman.

22 MR. HORWITZ: Wayne Horwitz, trustee.

23 My parents are in the S&P, but I missed the
24 first part of last meeting so I'm here to just catch
25 up.

1 Thank you.

2 MR. MAHONEY: Francis Mahoney. I'm
3 representing the estate of my sister, Mary Nickens.

4 MR. DOUG STEPELTON: Doug Stepelton, Stacy
5 Foundation.

6 MR. BROWN: Morris Brown, Berger Singerman.

7 MR. KELLY: Patrick Kelly, Stacy
8 Foundation.

9 MS. STEPELTON: Virlee Stepelton.

10 MS. SMITH: I'm Margaret Smith -- Glass
11 Ratner, Advisory & Capital Group.

12 MS. SHAFFER: Marci Shaffer, Berger
13 Singerman.

14 MR. ZIFFER: Andy Ziffer, representing my
15 mother, Elaine Ziffer.

16 MR. RUBIN: I'm Robert Rubin, partner at
17 Becker & Poliakoff, Helen Chaitman's partner.

18 MR. PUGATCH: Chad Pugatch -- Rice, Pugatch
19 Robinson & Schiller.

20 MR. JACOB: Steve Jacob. I have proxies
21 for some people.

22 MR. BLACK: Thank you.

23 I'll now summarize the rules and procedures
24 that you all received upon entry.

25 Does anyone still need a copy of the rules

1 and procedures for this special meeting?

2 Anyone who has not previously handed in a
3 proxy or would like to change his or her vote must
4 see the inspector of elections to receive a ballot.

5 After I read the motions before the
6 partners I will entertain discussion prior to the
7 vote. Only people noted as partners in the inspector
8 of elections roster or their designees as well as the
9 current managing general partner and his designee may
10 speak at the meeting during the discussion period.
11 One person may speak at a time, after being called
12 upon by me.

13 Discussion is limited to five minutes per
14 speaker, and anyone who refuses to cease discussion
15 after five minutes after admonition from me will be
16 removed by Officer Boehm for trespassing.

17 After the discussion period I will call
18 the vote and direct ballots to be returned to the
19 inspector of elections.

20 If more than one person seeks to vote a
21 partner's interest, the inspector of elections will
22 determine which vote to accept.

23 I've been informed by the inspector of
24 elections that a quorum is present and I declare that
25 this meeting is duly qualified to transact business.

1 The following proposals are before the
2 partners in this meeting: Replace Michael D.
3 Sullivan as managing general partner with Margaret
4 J. Smith. If that proposal passes, amend the
5 partnership agreement of P&S Associates to reflect
6 the change in managing general partners.

7 If prior to voting on the foregoing
8 proposals anyone would like to comment in accordance
9 with the rules and procedures for this meeting,
10 please raise your hand and wait to be called upon by
11 me.

12 At this time I open up the meeting to
13 discussion.

14 MR. MOSS: (Indicating).

15 MR. BLACK: Yes, sir.

16 MR. MOSS: My name is Burt Moss. I'm a
17 partner. I've lost several million dollars in this.
18 I'm tired of wasting money. I'd like to know how
19 much it's going to cost to have you pursue something
20 that may be worthless. What have you done to
21 determine any recovery -- any possible chance of
22 recovery?

23 All I know is any dealings I've had with
24 attorneys in this matter have cost me thousands of
25 dollars. I've gotten nothing in return.

1 I don't know about Margaret Smith being
2 the managing partner and then her doing the
3 investigation. Why doesn't somebody just hire her?

4 Who is going to oversee how much it's
5 going to cost for her to do this investigation,
6 and supposedly if the allegations you've made are
7 correct, who are you going to collect from?

8 Can I get any answers?

9 MR. BLACK: Your question is noted.

10 If anyone would like to respond, they may
11 do so.

12 MR. MARK: I'll respond briefly.

13 Your question was addressed in the earlier
14 meeting, but I'll be happy to address it to the
15 extent I can in this meeting.

16 As I think some of the correspondence has
17 reflected, we have conducted -- when I say "we," I
18 mean Berger Singerman in conjunction with Glass
19 Ratner and our group of clients who have come out of
20 pocket and spent their own money -- an extensive
21 forensic accounting of the books and records of the
22 partnerships.

23 That accounting has resulted in certain
24 findings which were in that letter that some of the
25 partners sent out last week.

1 The long and short of it is that there's
2 millions of dollars that are unaccounted for in the
3 partnerships.

4 Your question is: Well, what do we do now,
5 and our answer, respectfully, is: This is what we do
6 now.

7 We know that Mr. Sullivan is not the
8 person to oversee the next steps with respect to this
9 partnership, and the reason we know that is because
10 the books and records were not maintained properly
11 and there's significant issues, as I said.

12 So we're now going to take the next step
13 to have somebody in there that actually is qualified
14 that actually can do an appropriate review to
15 ascertain what those next steps are going to be.

16 So how much it's going to cost, how long
17 it's going to take, those are questions that were
18 previously answered. If you want me to go into it
19 again ---

20 MR. MOSS: I didn't hear it. I'm sorry.

21 I'd like to know how much it's going to
22 cost.

23 MR. MARK: Paul, do you want to just
24 reiterate the comments you made earlier about how
25 much it's going to cost, how long it's going to take,

1 because Mr. Moss ---

2 MR. MOSS: I'd like to know if the
3 attorneys are willing to do it on a contingency, if
4 they're so certain.

5 MR. SINGERMAN: Let me try to take your
6 questions one at a time, because they're all fair
7 questions.

8 The answer to your question about how long
9 it's going to take to conduct an appropriate analysis
10 and make recommendations and give advice as to
11 whether there are claims to pursue and investigate
12 the potential collectability of claims against
13 litigation targets depends nearly entirely on whether
14 we are afforded cooperation, transparency and access
15 by the current general manager when we appear at the
16 company today at 1:00 o'clock.

17 In the event that the vote supports the
18 replacement of the general manager and we are greeted
19 in a collaborative manner and we are afforded access
20 to books and records, electronically stored
21 information, given cooperation in answering the
22 questions that we have, I would expect that we will
23 have a pretty good handle on the advice that we would
24 give in 30 to 45 days.

25 The quickest part would be conducting the

1 legal and forensic analysis of the data once we have
2 it all.

3 If, instead, we are greeted differently
4 and there are efforts to inhibit access to the
5 information, it will take longer and cost more money.

6 I can't really be more precise now.

7 MR. BLACK: Mr. Moss, you have one minute
8 remaining.

9 MR. SINGERMAN: Let me ---

10 MR. MOSS: He is talking so slow the time
11 is being eaten up.

12 MR. SINGERMAN: Sir, I don't know if --
13 the lady at the end of the table is typing what
14 we're saying, and it's not usually efficient or
15 polite -- she can only type one person's comments at
16 a time.

17 If you want me to stop speaking, you may
18 speak, and then she can take down what you're saying
19 and then I will be unable to answer the other
20 questions that you asked, but you go ahead.

21 MR. MOSS: My only comment is I understand
22 that all the records have been provided. I don't
23 know that there's any more to provide.

24 MR. SINGERMAN: From whom do you have that
25 understanding?

1 MR. MOSS: From Sullivan.

2 MR. SINGERMAN: Well, we disagree, and
3 there's a very substantial paper trail of
4 communication about the provision of information
5 in the past several months between our law firm and
6 Mr. Sullivan and the company.

7 MR. BLACK: Thank you.

8 Would anyone else like to speak?

9 MR. PUGATCH: Chat Pugatch, again, as
10 partnership counsel at the request of the current
11 managing partner, and I have the same questions I had
12 in the other one.

13 Number one, on what basis was the
14 51 percent calculated in order to assure that there
15 was a proper vote to call the meeting, and, secondly,
16 Mr. Jacob's question from the last one, which is
17 relevant here, too, which is: What was the
18 methodology used in order to calculate the interest
19 of each partner for purposes of ascertaining the
20 percentage vote?

21 MR. BLACK: Sure.

22 I'll take your question, and then I'll let
23 Ms. Fox take the second question.

24 Out of all the partners in P&S Associates,
25 over 51 percent of the current partnership interests,

1 not partners, voted in favor of calling this meeting.

2 As a result of that the meeting was called.

3 In terms of how those interests were
4 calculated, I'll defer to Ms. Fox.

5 MS. FOX: It was based on the net equity
6 method -- cash in less cash out.

7 MR. PUGATCH: Just to follow up on that,
8 just so we're all clear, does that mean that anybody
9 who is a "net winner" was not factored into the vote
10 at all? So if you were a partner but you were a net
11 winner you don't have a vote?

12 MR. BLACK: Under that framework, people
13 who have already received all of their money back
14 from this partnership are no longer partners in the
15 partnership.

16 MR. PUGATCH: Is that based upon a legal
17 opinion your firm provided?

18 MR. BLACK: No. Thank you.

19 Any other questions?

20 MR. SAMUELS: I'd like to speak.

21 MR. BLACK: Thank you.

22 MR. SAMUELS: Good morning everybody.

23 I'm going to make comments similar to those
24 that I made at the earlier meeting this morning for
25 S&P.

1 Welcome to the P&S partnership meeting. I
2 appreciate you coming.

3 My firm, Berger Singerman, represents a
4 group of investors who have lost millions of dollars
5 in their investments in the partnership and as
6 previously stated the purpose of this meeting is to
7 take a vote on whether or not to remove the current
8 managing partners, Michael Sullivan, and replace him
9 with Margaret Smith, a CPA from the firm of Glass
10 Ratner. They're a nationally acclaimed advisory
11 firm.

12 Ms. Smith is a CPA. Ms. Smith is certified
13 in fraud examinations and is a business valuation
14 expert and should be an excellent managing partner
15 for this entity.

16 We recently read correspondence from
17 Mr. Sullivan suggesting that there's not a whole lot
18 left to be done, and there does seem to be a lot to
19 be done on behalf of the partnership.

20 For example, there's a lawsuit filed on
21 July 25, 2012, presumably at the direction of
22 Mr. Sullivan, which will determine how some money
23 coming into the partnership will be distributed.

24 Many partners have significant concerns
25 regarding the management of the partnerships, many of

1 which have even been raised by the Trustee for the
2 Estate of Bernie Madoff against Frank Avellino and
3 Michael Bienes. A section of that lawsuit is
4 entitled: Avellino's and Bienes' attempt to find
5 front men and use new partnerships to continue to
6 funnel money to BLMIS, which would be Madoff.

7 The lawsuit goes into some detail
8 concerning the use of the partnerships as a front
9 for Mr. Avellino and Mr. Bienes, neither of whom are
10 permitted to participate in the sale of securities to
11 others. They have been barred legally.

12 Again, these are allegations in the lawsuit
13 filed by Mr. Picard. They're not allegations that we
14 are making up here.

15 I only raise that point to say that we're
16 not the only ones concerned with the management of
17 this partnership, and it's not Mr. Picard who will
18 investigate this. It would be the job of the
19 managing general partner.

20 Quite frankly, there's questions about
21 whether Mr. Sullivan can do that in light of the
22 allegations raised by Mr. Picard.

23 There's also been extensive forensic
24 accounting work done already and paid for by my
25 clients out of pocket, and we do have some initial

1 findings, although we have not been provided with all
2 the books and records of the company as previously
3 noted.

4 An exhaustive review to date has revealed
5 some significant lapses in connection with the
6 management of the partnership. Millions of dollars
7 are unaccounted for. There were millions of dollars
8 of investments that were supposed to have been made
9 that, in fact, were not made according to the records
10 as it pertains to S&P and P&S, and I'll just lump
11 these together right now.

12 Michael Sullivan and Associates received
13 over 3.8 millions dollars in fees; an entity called
14 Sullivan and Powell received almost 2 million dollars
15 in fees; Michael Sullivan and Associates received
16 over 1.7 million dollars in fees; and nearly \$750,000
17 was distributed to an entity called Kelco Foundation,
18 and over \$600,000 was distributed to Sullivan and
19 Powell. That totals nearly 8 million dollars.

20 The partnership record also shows tens of
21 thousands of dollars of fees were earmarked for
22 distribution in Mr. Avellino and Mr. Bienes, as well.

23 Mr. Sullivan suggested this endeavor as a
24 ploy to run up fees to the detriment of the
25 partnership. My clients have collectively lost

1 millions of dollars and they are motivated by a
2 goal, and that is to recover as much money for the
3 partnerships as possible for distribution among the
4 partners.

5 My clients have expressed that they do not
6 believe that Mr. Sullivan is the appropriate person
7 to achieve the goals that they are seeking, and for
8 that reason they are asking for his removal.

9 Thank you.

10 MR. BLACK: Anyone else who would like to
11 speak during this discussion period?

12 MS. FOX: Yes.

13 MR. BLACK: Please reiterate your name for
14 the record.

15 MS. FOX: Carol Fox. Glass Ratner Advisory
16 & Capital.

17 Good morning. I'm Carol Fox. I'm the
18 senior managing director at Glass Ratner Advisory &
19 Capital, and I'd like to address some of the issues
20 raised by Mr. Moss, and rightfully so.

21 Just for those of who you were not here
22 for the prior meeting, I'll briefly review my
23 qualifications. I'm a certified public accountant
24 for over 20 years. I'm a certified fraud examiner.
25 I'm certified in insolvency and restructuring. In

1 addition, I've investigated and/or testified on
2 matters involving white collar crime and investor
3 fraud in cases as large as one billion dollars under
4 management.

5 So basically I'd like to address
6 Mr. Moss' concerns, which were basically we asserted
7 the records were missing -- Mr. Moss is under the
8 assumption they were turned over -- the specific
9 findings in our forensic memo, and close with that.

10 Specifically with respect to P&S, review
11 of the banking records provided by Mr. Sullivan show
12 that 26.9 million dollars in investor funds was
13 received by P&S. Of that amount 22.8 million dollars
14 was invested in BLMIS, leaving a discrepancy of four
15 million dollars.

16 With respect to S&P, we do not have
17 complete records, and we're missing various periods
18 starting in -- I believe it's 1999 and continuing
19 through 2004 -- so we based our analysis off of the
20 investor register maintained for S&P, and noted that
21 64 million dollars in investor funds were received by
22 S&P as reflected on the investor register, and of
23 that amount 41.7 million dollars was invested in
24 BLMIS, leaving 22.3 million dollars and an amount as
25 high as 22.3 million dollars unaccounted for.

1 With regard to Mr. Avellino's and
2 Mr. Bienes' management fee calculations prepared
3 for S&P and P&S they specifically reference accrued
4 amounts due to "A and B."

5 These management fees were accrued on
6 behalf of investors, including, but not limited to,
7 James Jordan, Matthew Carone and Elaine Ziffer.
8 These fees were not paid directly from the
9 partnership. Nonetheless, the passthrough entity
10 that paid these accrued fees to Avellino and Bienes
11 requires further investigation via the analysis of
12 Michael D. Sullivan and Associates records and/or
13 Mr. Sullivan, personally.

14 As Mr. Samuels said before, in the
15 aggregate entities controlled by Michael D. Sullivan
16 and Associates received almost 8 million dollars in
17 management fees.

18 Additionally, correspondence contained in
19 the partnership files indicates that at least
20 Mr. Avellino was consulted and directed numerous
21 partnership decisions from inception and throughout
22 the lifespan of the partnership.

23 With regard to Kelco, funds aggregating
24 \$745,000 comprising 60 checks were disbursed directly
25 from P&S to Kelco Foundation, a foundation by

1 Monsignor Vincent Kelly.

2 These fees directly related to the
3 referral of at least 19 investors to P&S by Monsignor
4 Kelly. These management fees were treated as
5 charitable contributions on the tax returns filed by
6 P&S and passed through to investors as expenses
7 related to portfolio income.

8 The other significant finding I'd like to
9 point out to you is that even based on the 2009 tax
10 return and the investors' investments as reflected on
11 the 2009 tax return we do have over 51 percent of the
12 vote.

13 Are there any questions?

14 MR. JACOB: (Indicating).

15 MS. FOX: Mr. Jacob?

16 MR. JACOB: You mentioned a report.

17 Is that report going to be available to all
18 partners?

19 MR. SAMUELS: That report that was done so
20 far was done on behalf of our clients at this point
21 in time, so it's not available to everybody at this
22 point because it was done under the auspices of
23 attorney/client privilege at this time.

24 Hopefully, Mr. Sullivan will cooperate and
25 we'll see how that goes.

1 MR. BLACK: Your time is up.

2 MS. FOX: Thank you.

3 MR. BLACK: Would anyone else like their
4 five minutes to discuss?

5 MR. MARK: (Indicating).

6 MR. BLACK: Yes.

7 MR. MARK: I'd just like to make one
8 clarification to a comment Mr. Black made with
9 respect to the net winners. This is in response, I
10 think, to Mr. Pugatch's question.

11 The net winners --- whether or not their
12 vote is counted versus whether or not they're
13 partners.

14 I think Mr. Black said they're not
15 considered partners, and I'm not sure if that ---

16 MR. BLACK: We have not considered their
17 vote.

18 Thank you for the clarification.

19 MR. MARK: Thank you.

20 MR. MAHONEY: (Indicating).

21 MR. BLACK: Yes, sir.

22 MR. MAHONEY: I was first contacted maybe
23 a couple of months ago by one of the partners seeking
24 the ouster of Mr. Sullivan.

25 If I recall correctly, they said that

1 unless he was ousted by the end of the year a certain
2 amount of money in escrow would not be distributed to
3 the partnership.

4 Can you expound on that?

5 MR. BLACK: I can't, but your question is
6 noted if anyone else would like to.

7 MR. MAHONEY: I could name this person. I
8 don't know if that's relevant. I'm pretty sure
9 that's what I was told.

10 MR. BLACK: Okay. Thank you.

11 MR. STEPELTON: Would you state your name
12 for the record?

13 MR. MAHONEY: Francis Mahoney.

14 MR. BLACK: Is there anyone else who would
15 like to speak?

16 MR. JACOB: I'd like to.

17 MR. BLACK: Restate your name.

18 MR. JACOB: Steve Jacob.

19 I'd like to ask for a more specific --
20 probably a dollar amount -- regarding Mr. Moss'
21 question and more to a dollar amount in a best case
22 and worst case scenario.

23 I think that's what he was really getting
24 at. I would like that answered, if possible.

25 MR. BLACK: I'll let Mr. Singerman

1 reiterate what he already said.

2 MR. SINGERMAN: I'll do my best to answer
3 Mr. Jacob's question.

4 When you say a "dollar amount," what do you
5 mean, sir?

6 MR. SINGERMAN: Fees.

7 MR. JACOB: In a best case and worst case.

8 MR. SINGERMAN: You know, it's an
9 absolutely fair question, and the direct answer is:
10 It's impossible to give you an estimate because --
11 when you say "best case," I assume you mean that we
12 go to the company today -- Ms. Smith goes to the
13 company today -- and Mr. Sullivan provides complete
14 cooperation ---

15 MR. JACOB: That's correct. I think you
16 understand, but that's it. You don't have to
17 clarify, but ---

18 MR. SINGERMAN: Thank you. I'll decide how
19 the record looks and what I clarify, and I'll do my
20 best to answer your question without advice from you
21 on how to answer your question.

22 Is that fair?

23 MR. JACOB: I guess I'm just asking for a
24 dollar amount, and if you're not able to give it,
25 that's fine.

1 MR. SINGERMAN: I was attempting to answer
2 your question.

3 If you wish me to try to do so, I will.
4 If you don't, I won't. You pick.

5 MR. JACOB: Thank you.

6 MR. SINGERMAN: Okay.

7 MR. BLACK: Thank you.

8 Would anyone else like to speak?

9 MR. MOSS: Am I entitled to ask another
10 question?

11 MR. BLACK: Your five minutes is up, but
12 thank you.

13 Anyone else?

14 MR. BLACK: Okay. This concludes the
15 discussion period.

16 If anyone has not handed in a proxy or
17 would like to change his or her vote, please so
18 indicate and the inspector of elections will either
19 collect your proxy or provide a ballot to you.

20 If you have submitted a proxy card and do
21 not wish to change your vote, you do not need to do
22 anything at this point.

23 MR. MAHONEY: (Indicating).

24 MR. BLACK: Yes.

25 MR. MAHONEY: I don't have a ballot.

1 MR. BLACK: And you have not yet submitted
2 a proxy?

3 MR. MAHONEY: Correct.

4 MR. BLACK: Okay. Thank you.

5 Does anyone else need a proxy or a ballot?

6 MR. SINGERMAN: Sir, could you identify
7 yourself for the record?

8 MR. MAHONEY: Francis Mahoney.

9 MR. BLACK: All right. There are two items
10 scheduled to be voted on today. These matters which
11 are described in detail in the notice of special
12 meeting sent to partners on July 20, 2012 are: The
13 replacement of Michael D. Sullivan as managing
14 general partner with Margaret J. Smith, and, if so
15 replaced, the amendment of the partnership agreement
16 of P&S Associates to reflect the change in managing
17 general partners.

18 We will now proceed to a vote.

19 If there is any registered partner present
20 today who is entitled to vote and who wants to vote,
21 but has not yet signed a proxy, or if any registered
22 partner who has already submitted a proxy would like
23 to change his or her vote, please raise your hand and
24 the inspector of elections will collect your proxy or
25 present a ballot to you.

1 Is there any partner who has not submitted
2 his or her vote or who needs a ballot?

3 You have your ballot, sir?

4 MR. MAHONEY: I have this balance here.

5 Do you want me to fill it out now?

6 MR. BLACK: Yes. Please do.

7 MR. MOSS: (Indicating).

8 MR. BLACK: Yes.

9 MR. MOSS: If I have two accounts -- one
10 for my 401(k) and one for my wife and I jointly, I
11 believe maybe I'm entitled to ten minutes.

12 Is that correct? Do I get a vote for each
13 of my capacities?

14 MR. BLACK: If you are reflected as
15 representing two different partners in this
16 partnership according to the register of the
17 inspector of elections you may have ten minutes, yes.

18 MR. MOSS: Is that correct?

19 MS. SHAFFER: Yes, you do.

20 MR. MOSS: All I want to say to those who
21 have voted for this is -- no disrespect to all the
22 lawyers in the room -- but I've dealt with them on
23 this matter.

24 Every time I turned around it cost me
25 thousands of dollars for no results, and they see

1 money and it's going to go and we're going to get
2 nothing.

3 So thank you. I just wanted to put that on
4 the record.

5 MR. SINGERMAN: Thank you.

6 Could I ask, sir, for you to clarify
7 whether when you say you've dealt with the lawyers,
8 you're referring ---

9 MR. MOSS: I hired my own ---

10 MR. SINGERMAN: Excuse me.

11 MR. MOSS: I'm sorry.

12 MR. SINGERMAN: That's okay. She can only
13 type one thing at a time (indicating).

14 My question is very simple. Were you
15 referring, when you made the comment about lawyers,
16 to lawyers at Berger Singerman in dealing with them
17 on these matters?

18 MR. MOSS: No.

19 MR. SINGERMAN: Thank you, sir.

20 MR. BLACK: Inspector, I think someone else
21 needs a ballot.

22 (Short Break)

23 MR. BLACK: All partners present in person
24 or by proxy have now had the chance to vote and the
25 polls are now declared closed.

1 (Short Break)

2 MR. STEPELTON: I call this meeting back to
3 order.

4 MR. BLACK: Thank you.

5 The inspector of elections has provided
6 me with the voting results and I report that the
7 partners have replaced Michael D. Sullivan as
8 managing general partner with Margaret J. Smith,
9 and voted to amend the partnership agreement of P&S
10 Associates to reflect the change in managing general
11 partners, which amendment will be included with the
12 minutes of this meeting.

13 Michael D. Sullivan shall provide Margaret
14 Smith with all information she requires to facilitate
15 the transition to her as managing general partner.

16 Michael Sullivan is hereby notified that
17 Ms. Smith's designee will arrive at the partnership's
18 office at 1:00 p.m. today in order to take possession
19 of P&S Associates' files, computers, records and
20 assets.

21 Michael Sullivan shall not remove any
22 files, records or assets of the partnership prior
23 to Ms. Smith or her designee taking possession or
24 control of same, and Mr. Sullivan shall have no
25 further involvement with the affairs of P&S

1 Associates.

2 Please let the record reflect that I've
3 provided and am providing Mr. Pugatch and Mr. Rubin
4 formal notices reiterating the directives in regard
5 to Mr. Sullivan that I just stated.

6 MR. PUGATCH: Let the record reflect we are
7 accepting these, but do not control Mr. Sullivan or
8 have the ability necessarily to deliver these to him
9 prior to 1:00 o'clock.

10 As I've stated before, perhaps off the
11 record, I don't think he's in town or in his office,
12 so you'll have to make appropriate arrangements.

13 I'm also not opining at this point as to
14 whether he takes the position that everything that's
15 happened here today is legal or not legal.

16 MR. RUBIN: Again, also we accept receipt
17 of the notice, but don't have any ability to enforce
18 this today.

19 MR. BLACK: For the record, please let
20 it reflect that the notices are in regards to P&S
21 Associates and S&P Associates.

22 MR. MARK: Mr. Rubin, if you could just for
23 the record state your name and in what capacity you
24 are here.

25 MR. RUBIN: Robert Rubin, Becker &

1 Poliakoff, counsel for P&S and S&P.

2 MR. BLACK: There being no further business
3 to come before this meeting, I now declare this
4 special meeting of the partners of P&S Associates
5 adjourned.

6 Thank you.

7 MR. RUBIN: What was the percentage?

8 MR. BLACK: Over 56 percent.

9 Thank you.

10 MR. PUGATCH: Can we assume that you're
11 going to attach all that to the minutes, as you said
12 with S&P?

13 MR. BLACK: That's correct.

14 MR. PUGATCH: Thank you.

15 MR. MARK: We're off the record.

16 (Whereupon, at 11:55 p.m. the proceedings
17 were concluded.)

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1 CERTIFICATE OF REPORTER

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STATE OF FLORIDA)

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COUNTY OF DADE)

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I, Suzanne Dunay Siegel, do hereby certify that a board meeting of P&S Associates took place on Friday, August 17, 2012, that I was authorized to and did report in shorthand the proceedings in said meeting; and that the foregoing pages, numbered from 1 to 29, inclusive, constitute a true and correct transcription of my shorthand report of said proceedings.

IN WITNESS WHEREOF, I have hereunto affixed my hand this 20th day of August, 2012.



Suzanne Dunay Siegel

EXHIBIT D
Amendment

AMENDMENT TO
AMENDED AND RESTATED PARTNERSHIP AGREEMENT

THIS AMENDMENT TO AMENDED AND RESTATED PARTNERSHIP AGREEMENT (this "Amendment") is effective as of August 17, 2012 ("Effective Date").

Preliminary Statement

The Amended and Restated Partnership Agreement (the "Agreement") of P & S Associates (the "Partnership") is dated December 21, 1994.

The Partnership held a special meeting on August 17, 2012 and voted to (i) replace Michael D. Sullivan as Managing General Partner with Margaret J. Smith and (ii) amend the Agreement of the Partnership to reflect the change in Managing General Partners.

NOW, THEREFORE, the Agreement of the Partnership is amended as follows:

Section 8.01. The first sentence of Section 8.01 of the Agreement is hereby deleted in its entirety and replaced with the following:

"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 Partner, Margaret J. Smith; notwithstanding anything herein to the contrary, all references to Managing General Partners in the Agreement shall mean Margaret J. Smith."

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

CASE NO. 12-24051 1071
COMPLEX LITIGATION UNIT

MATTHEW CARONE, as Trustee for the Carone Marital Trust #2 UTD 1/26/00, Carone Gallery, Inc. Pension Trust, Carone Family Trust, Carone Marital Trust #1 UTD 1/26/00 and Matthew D. Carone Revocable Trust, JAMES JORDAN, as Trustee for the James A. Jordan Living Trust, ELAINE ZIFFER, an individual, and FESTUS AND HELEN STACY FOUNDATION, INC., a Florida corporation,

Plaintiffs,

v.

MICHAEL D. SULLIVAN, individually,

Defendant.

**AGREED ORDER RESOLVING PLAINTIFFS'
EMERGENCY MOTION FOR TEMPORARY INJUNCTION**

THIS CAUSE came before the Court on Plaintiffs' Emergency Motion for Temporary Injunction, and this Court having been advised of an agreement between the parties and being otherwise duly advised in the premises, it is hereby ORDERED that:

1. This Order implements the agreement of the Parties and is entered on an agreed basis. Plaintiffs' Emergency Motion for Temporary Injunction is resolved as provided herein.
2. Defendant Michael D. Sullivan ("Defendant") shall resign as Managing General Partner of both P&S Associates, General Partnership ("P&S") and S&P Associates, General Partnership ("S&P") (together with P&S, the "Partnerships"), and consents to the appointment of Margaret J. Smith ("Ms. Smith") as Managing General Partner in his

EXHIBIT

stead. Plaintiffs' agreement to allow Defendant to resign is not a waiver of any positions asserted in this action.

3. Ms. Smith is deemed the Managing General Partner of the Partnerships effective upon entry of this Order and will remain as such unless and until she withdraws from her role as Managing General Partner, or is removed consistent with the terms of the Partnership Agreements.
4. As Managing General Partner, Ms. Smith will be given full access to all of the Partnerships' books, records, assets and property and will be afforded all of the rights and duties of a Managing General Partner, including but not limited to those contemplated by Article 8.02 of each of the Partnerships' respective Partnership Agreements.
5. Defendant does not now and will not in the future challenge the appointment of Ms. Smith as Managing General Partner on August 17, 2012. Defendant agrees that he is no longer authorized to act in any capacity as Managing General Partner of the Partnerships, and is to direct all Partnership business to Ms. Smith. In so consenting to his withdrawal as Managing General Partner, Defendant reserves all other rights and defenses, and such consent to Ms. Smith's appointment shall not be deemed or considered an admission of liability either on his own behalf or on behalf of any of his employees, affiliates, assigns or agents.
6. The Parties further reserve all rights with respect to the action styled *P&S Associates, et al. v. Roberta Alves, et al.*, Case No. 2012CA013587, currently pending in the Circuit Court of the 15th Judicial Circuit in and for Palm Beach County (the "Interpleader Case"). Defendant may not act as representative or Managing General Partner of the Partnerships with respect to that action. However, the Parties specifically agree, as a condition of the

relief provided herein, that the Interpleader Case will not be unilaterally dismissed by Ms. Smith in her capacity as the Managing General Partner of the Partnerships. Without prejudice to the rights of the Managing General Partner pursuant to paragraphs 7.05 and 8.02 of the Partnership Agreements, it is the intent of the Parties that the Interpleader Action provide the basis for the methodology used to determine how distributions will be made to partners, *i.e.*, without limitation, based on the amount in the partner's capital account (last statement balance), in the amount of the net investment of the account holder over the life of the account, or based on other equitable principles. Plaintiffs reserve all defenses to the Interpleader Action, and do not, by virtue of this Order, concede that venue in Palm Beach County is appropriate.

7. On or before September 5, 2012, Defendant shall provide to Ms. Smith all books and records not previously provided to Plaintiffs or their representatives, including electronic records of the Partnerships. Subject to Defendant's right to raise any written objection under the Florida Rules of Civil Procedure, Defendant shall provide the books and records of JS&P Associates, General Partnership, and SPJ Investments, Ltd. Defendant has represented that he does not have custody, possession or control of the books or records, electronic or otherwise, of Guardian Angel Trust, LLC. Defendant further agrees to use his best efforts to insure an efficient, orderly and smooth transition from his role as Managing General Partner to Ms. Smith's role as Managing General Partner.
8. This case is hereby stayed pending further order of the Court, but for a period of not less than 60 days, without prejudice to the rights of any parties to this action. This stay will be lifted upon a motion by either party.

9. This Order is binding on all Parties, including Ms. Smith, who is not a named party but has submitted herself to the jurisdiction of this Court by accepting the appointment as Managing General Partner as provided in paragraph 3 above.

10. Defendant, by agreeing to the terms of this Order specifically denies and does not admit any liability or wrongdoing and nothing in this Order shall constitute any finding of liability or wrongdoing either by Defendant or any of his employees, affiliates, assigns or agents. It is Defendant's position that he has agreed to the relief herein to preserve the resources of the Partnerships.

DONE AND ORDERED in Chambers in Broward County, Ft. Lauderdale, Florida, on this _____ day of August, 2012.

JEFFREY E. STREIFELD

AUG 29 2012

JEFFREY E. STREITFELD
CIRCUIT COURT JUDGE

A TRUE COPY

Copies furnished to:

All Counsel of Record