

BY-LAWS of the Partnership known as BRIDGING THE GAP INVESTMENT CLUB

I. Name

The undersigned hereby form a General Partnership in and accordance with the laws of the State of California, known as the "Bridging the Gap Investment Club" hereinafter referred to as "the Partnership" or "the Club".

II. Purpose

- A. To educate Partners in the fundamental principles and techniques of sound investment practices.
- B. To enable Partners to invest surplus funds in stocks, bonds, and securities.
- C. To follow the growth theory of investment.
- D. To invest regularly and take advantage of compound interest.

III. Officers

- A. Officers of the Club shall be Presiding Partner, Assisting Partner, Recording Partner, Financial Partner, Sergeant of Arms, and Public Relations Partner, elected from the Partnership.
- B. Officers shall be elected at the anniversary meeting, take office on the day of the election and serve for one year or until new officers are elected. Upon the occurrence of a vacancy, an interim election shall be held to fill the vacancy for the balance of the year.
- C. Duties
 - 1. The **Presiding Partner** shall preside at meetings, appoint committees, and oversee all Club activities and see that the resolutions passed out by the Partnership are carried out. Sign checks for withdrawal of funds from the bank accounts.
 - 2. The **Assisting Partner** shall assume the duties of the Presiding Partner when absent or unable to serve. He/she shall appoint Partners to present investment reviews, assign companies for study and maintain a file of their reports. The Partner shall be responsible to see that the "Club study program" is properly carried out and sign checks for withdrawal of funds from the bank accounts.
 - 3. The **Recording Partner** shall keep a record of Club meetings and business activities, maintain a file of proxies, and report on previous meetings. Notify members of meetings and other activities.
 - 4. The **Financial Partner** shall collect and disburse funds; maintain books covering the Club's financial operations, assets, and Partner's shares; issue receipts to Partners for their deposits; and their capital account in the name of the Partnership. Prepare Club's monthly liquidating value statement. Prepare individual liquidating value statement for

each partner. Prepare the Club's annual valuation statement. Place, buy, and sell orders on instruction from the Presiding Partner in accordance with procedures set forth hereinafter.

5. The **Sergeant of Arms** shall maintain order of meetings following the newly revised "Robert's Rules of Order".
6. The **Public Relations Partner** shall act as spokesperson for the Club and maintain a list of prospective partners.

IV. Membership

- A. Membership shall be limited to fifteen Partners.
- B. Partners may invite guests to any meeting as long as advanced clearance is obtained.
- C. Notice of a prospective Partner's application to the Club shall be given at the meeting prior to the meeting on which a vote shall be taken on the prospective Partner's application.
- D. A unanimous vote of the Partners shall be required for approval of new Partners. Proxy votes shall be honored. Proxies may be by email or hand written.
- E. When a new Partner is accepted, the person will be so notified by the Recording Partner before the next meeting.
- F. Any new Partner will be bound by all terms and provisions herein in the same manner as other Partners.

V. Procedure

A. Meetings

1. Regular meetings of the Club shall be held each month. The next meeting date shall be an on-going agenda item.
2. The January meeting shall be designated as the anniversary meeting.
3. A special meeting may be called by the officers upon 48 hours notice to the partnership of the time, place, and purpose of said meeting.
4. A quorum shall be necessary to conduct business, and shall consist of a simple majority of the Partnership shares in the Club. Proxy votes will be considered in determining a quorum. Proxies must be in writing or by email and filed with the Recording Partner.
5. More than five absents per year should be cause for consideration of expulsion.

B. Operation

1. Each Partner shall participate in the management and conduct of the affairs of the Partnership in proportion to the Partner's capital account.
2. Minimum monthly deposits shall be received from Partners in units of fifty dollars (\$50.00). Initial valuation unit worth will be set at four hundred dollars (\$400.00).
3. A monthly statement of liquidating value effective the last business date proceeding each regular meeting day shall be prepared.
4. The value of a Partnership share in the Club at each meeting will be determined by dividing the liquidating value by the total number of shares held by all Partners.
5. The number of Partnership shares purchased by forty dollars (\$40.00) is determined by dividing forty dollars (\$40.00) by the share value as arrived at in paragraph B, item 4, of this section.
6. Buy and sell action may be taken after a discussion by the Partners, and when voted by a simple majority of the Partnership shares, except as provided in paragraph C, item 4 of this section. Absent Partner's shares may be voted by proxies.
7. Each Partner shall remit their monthly deposit to the Financial Partner at or before each monthly meeting. If any Partner has not made their deposit by such time, without having previously indicated to the Presiding Partner or Financial Partner their intention to withdraw from the Partnership, any such Partner's late payment shall be subject to a late payment penalty of five dollars (\$5.00) for each such late payment, which amount such Partner shall pay to the Financial Partner, in addition to their regular monthly deposit.
8. Due date for each Partner's monthly deposits is at the Club's monthly meeting. There will be a grace period of five days before any late payment penalty be applied.
9. Any Partner who is not paid up in full shall not be entitled to vote on any proposition coming before the Club for vote, except a proposition or part thereof involving sale of securities, liquidations, or dissolution.
10. Each Partnership share shall carry one vote.
11. Each Partner is responsible for education themselves in the area of stocks and mutual funds.
12. Assignments will be given to each partner. Such assignments shall consist of making presentations and preparing reports to educate the Club. Non-compliance with this assignment shall be cause for consideration of expulsion.
13. At the end of a fiscal year all interest and dividends will be divided in proportion to member's unit value and paid to each member.
14. At the end of a fiscal year, all capital gains/losses will be divided in proportion to member's unit value and credited to member's individual accounts without being paid out.

C. Withdrawals

1. A Partner may withdraw their shares and membership after one year at the anniversary meeting. The Partner shall send written notice of withdrawal to the Presiding Partner thirty days prior to the anniversary meeting.
 - (a) The other Partners shall thereupon have and are hereby given an option during said period to purchase, in proportion to their capital accounts in the Partnership, the capital account of the withdrawing Partner.
 - (b) If the other Partners exercise their option to purchase, the Partnership business shall not terminate.
 - (c) If the other Partners do not exercise their option to purchase, the Partnership shall be terminated and liquidated in accordance with paragraph C, item 6, of this section.
2. The liquidating value of a withdrawal is determined by the Partnership share value at the effective date of the withdrawal, less withdrawal penalty as provided in item 3 directly following, and less commission charges incurred to secure cash.
3. Withdrawal penalty shall be three per cent (3%) of amount withdrawn if the withdrawal occurs during a Partner's first year of membership, two per cent (2%) if during the second year; one percent (1%) the third year; thereafter the group will have the authority to determine whether to apply such penalty or not based in the damage caused by such withdrawal. At no time after the third year, the withdrawal penalty shall be higher than one percent of the withdrawal amount.
4. When cash is required to meet a withdrawal, the Presiding and\ or Financial Partner will propose the assets to be sold and secure the approval of a majority of Partnership's shares. The assets will be sold before the date of the preparation of the liquidating value statement used to determine the value of the withdrawal.
5. Any Partner failing to comply with the monthly deposit requirement for more than three consecutive months, unless otherwise determined by a majority vote at a regular monthly meeting, shall be considered to have withdrawn from the Partnership, effective as of the next regularly scheduled liquidating statement. The Partner shall be withdrawn as outlined in this section and late payment penalties of five dollars \$5.00 per period shall be charged against the withdrawal.
6. The Partnership may be dissolved by agreement of the Partners whose capital accounts total a majority of all the Partner's accounts. Notice of decision to dissolve the Partnership, shall be given to all Partners. The Partnership shall thereupon be terminated by payment of all the debts and liabilities of the Partnership, and the distribution of the remaining assets either in cash or in stocks transferred to the Partners or their personal representatives in proportion to their capital accounts.
7. In the event of the death or incapacity of a Partner, the other Partners shall thereupon have, and are hereby given, an option for a period extending from the date of the notice of the death or incapacity, to the second valuation date following such notice, to purchase in proportion to their capital accounts in the Partnership, the capital account of the deceased or incapacitated Partners.

- (a) If the other Partners exercise their option to purchase, the Partnership business shall not terminate.
- (b) If the other Partners do not exercise their option to purchase, the Partnership shall be terminated and liquidated in accordance with the terms of this section.
- (c) Proceeds of the liquidation of the deceased or incapacitated Partner's account, in event said account is not held jointly shall be placed in a separate bank account until the proper distribution is learned.

D. Amendments

- 1. These by-laws may be amended by a two-thirds vote of the total Partnership shares.
- 2. These by-laws shall be reviewed and /or amended in the Anniversary Club meeting.

VI. Other Provisions

- A. This Partnership shall be renewed annually.
- B. It shall be the policy of the Partnership to allow the brokers to hold delivery on the shares purchased in the account of the Club.
- C. The number of Partnership shares owned or voted through proxies by any one Partner shall not exceed twenty per cent (20%) of the total Partnership shares in the Club.
- D. Partners may hold their shares jointly with right of survivorship with their spouses or designated survivor.

VII. Forbidden Acts

- A. No purchase shall be made on margin.
- B. No "short sales" shall be made.
- C. No Partner shall be compensated for services to the Partnership.
- D. No partner shall have the right or authority to bind or obligate the partnership to any extent whatsoever with regard to any matter outside the scope of the partnership business.
- E. No Partner shall without the unanimous consent of all the other partners, assign, transfer, pledge, mortgage or sell all or part of their interest in the partnership to any other partner or other person whomsoever, or enter into any agreement as the result of which any person or persons not a partner shall become interested with him in the partnership.
- F. No Partner shall, without unanimous consent of all Partners, purchase an investment for the partnership where less than the full purchase price is paid for same.

G. No Partner shall use the partnership name, credit or property for other than partnership purposes.

H. No Partner shall do any act detrimental to the interests of the partnership or which would make it impossible to carry on the business or affairs of the partnership.

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

IN WITNESS WHEREOF, the parties have set their hands and seals this _____, 2009.

Partners:

File: By_laws.pdf