



**Operating Agreement  
for  
Money Matters Investment Club, L.L.C.**

Prepared by:  
Dohrer & Watts, P.L.C.  
One E. Camelback Rd., Ste. 550  
Phoenix, Arizona 85012  
(602) 279-7488

March 8<sup>th</sup>, 2006



Money Matters Investment Club, LLC



## Table of Contents

SECTION I: FORMATION; NAME AND OFFICE; PURPOSE; PARTNERSHIP TREATMENT .....	1
1.1. Formation .....	1
1.2. Name and Registered Office .....	1
1.3. Purpose .....	1
1.4. Treatment as a Partnership .....	2
SECTION II: DEFINITIONS .....	2
SECTION III: .....	CAPITAL CONTRIBUTIONS 4
3.1. Capital Accounts .....	4
3.2. Capital Contributions .....	5
3.3. Withdrawal or Return of Capital Contributions .....	6
3.4. Form of Return of Capital .....	6
3.5. Salary or Interest .....	6
SECTION IV: .....	ALLOCATIONS AND DISTRIBUTIONS 6
4.1. Allocations .....	6
4.2. Distributions .....	6
4.3. General .....	7
SECTION V: MANAGEMENT .....	8
5.1. Member-Managed .....	7
5.2. Member Authority .....	8
5.3. Fiduciary Duties .....	9
5.4. Actions Requiring Unanimous Consent of the Members .....	9
5.5. Compensation and Expenses .....	9
5.6. Books and Records .....	9
5.7. Access to Books and Records .....	10
5.8. Returns and Other Elections .....	10
5.9. Annual Accounting Period .....	10
5.10. Reports .....	10
5.11. Tax Matters Partner .....	10
5.12. Title to Company Property .....	11
5.13. Officers .....	11
5.14. Collateral .....	11
SECTION VI: .....	MEMBERS 12
6.1. Meetings .....	12
6.2. Place of Meetings .....	12



Money Matters Investment Club, LLC



6.3.	Notice of Meetings .....	12
6.4.	Meeting of All Members .....	13
6.5.	Record Date .....	13
6.6.	Quorum .....	13
6.7.	Voting Rights of Members .....	13
6.8.	Manner of Acting .....	13
6.9.	Proxies .....	13
6.10.	Action by Members without a Meeting .....	13
6.11.	Telephonic Communication .....	14
6.12.	Waiver of Notice .....	14
6.13.	Minimum Attendance Requirement .....	14
6.14.	Number of Members .....	14
6.15.	Action by Members .....	14
SECTION VII: .....		TRANSFERS AND WITHDRAWALS 15
7.1.	Transfers .....	15
7.2.	Withdrawal .....	15
7.3.	Expulsion of a Member .....	15
7.4.	Option on Death or Bankruptcy .....	15
7.5.	No Transfer of Membership Rights .....	15
7.6.	Additional and Substitute Members .....	16
7.7.	Expenses .....	16
7.8.	Distributions on Withdrawal .....	16
SECTION VIII: DISSOLUTION AND TERMINATION .....		16
8.1.	Dissolution .....	17
8.2.	Distributions and Other Matters .....	17
8.3.	Deficit Capital Accounts .....	17
8.4.	Rights of Interest Holders—Distributions of Property .....	17
8.5.	Articles of Termination .....	17
SECTION IX: .....		OTHER INTERESTS OF AN INTEREST HOLDER 19
SECTION X: INDEMNITY .....		20
10.1.	Indemnity Rights .....	20
10.2.	Notice and Defense .....	20
10.3.	Other Sources .....	20
10.4.	Survival .....	20



*Money Matters Investment Club, LLC*



SECTION XI: ..... MISCELLANEOUS 21

- 11.1. Notices .....21
- 11.2. Bank Accounts .....21
- 11.3. Partial Invalidity .....21
- 11.4. Governing Law; Parties in Interest.....21
- 11.5. Amendment .....21
- 11.6. Execution in Counterparts .....21
- 11.7. Titles and Captions .....21
- 11.8. Pronouns and Plurals .....21
- 11.9. Waiver of Action for Partition.....21
- 11.10. Entire Agreement .....21
- 11.11. Estoppel Certificate .....21

SECTION XII: ..... ARBITRATION 23

ATTACHMENTS:

Exhibit A— Member, Capital Contribution, and Shares



*Money Matters Investment Club, L.L.C.*

**OPERATING AGREEMENT**

**OF**

***Money Matters Investment Club, L.L.C.***  
***an Arizona limited liability company***

**THIS OPERATING AGREEMENT** is made and entered into effective as of the 29<sup>th</sup> day of **April, 2006**, by and among each of the persons listed on *Exhibit A* and executing this Agreement, or a counterpart thereof, as Members of Money Matters Investment Club, L.L.C., an Arizona limited liability company (the "Company").

**Section I**

**Formation; Name and Office; Purpose; Partnership Treatment**

**1.1. Formation.** Pursuant to the Arizona Limited Liability Company Act, A.R.S. Sections 29-601 through 29-857 (the "Act"), the parties have formed an Arizona limited liability company effective upon the filing of the Articles of Organization of this Company (the "Articles") with the Arizona Corporation Commission. The parties have executed this Agreement to serve as the "Operating Agreement" of the Company, as that term is defined in A.R.S. Section 29-601(11), and, subject to any applicable restrictions set forth in the Act, the business and affairs of the Company, and the relationships of the parties to one another, shall be operated in accordance with and governed by the terms and conditions set forth in this Agreement. By executing this Agreement, the Members hereby consent to the admission to the Company of all the Persons listed on *Exhibit A* and executing this Agreement. The parties agree to execute all amendments of the Articles, and do all filing, publication, and other acts as may be appropriate from time to time hereafter to comply with the requirements of the Act.

**1.2. Name and Registered Office.** The Company shall be conducted under the name of Money Matters Investment Club, L.L.C., and the registered office of the Company shall be at 4041 N. Central Ave., Suite 800, Phoenix, Arizona, or such other place as the Members may from time to time determine.

**1.3. Purpose.** The purpose and business of this Company shall be to promote the education of members in the fundamental and technical principles and techniques of sound investment practices and to collectively invest the assets of the Company in a diversified manner that minimizes risk and provides



compounded growth. The Company shall have the power to do any and all acts and things necessary, appropriate, or incidental to the furtherance of such purpose.

**1.4. Treatment as a Partnership.** It is the intent of the Members that the Company shall always be operated in a manner consistent with its treatment as a partnership for federal and state income tax purposes, but that the Company shall not be operated or treated as a partnership for purposes of the federal Bankruptcy Code. No Member shall take any action inconsistent with this intent.

## **Section II Definitions**

The following terms shall have the meanings set forth in this Section II:

**“Act”** means the Arizona Limited Liability Company Act, A.R.S. Section 29-601 through 29-857, as amended from time to time (or any corresponding provisions of succeeding law).

**“Capital Account”** means the account maintained by the Company for each Interest Holder in accordance with the provisions of Section III.

**“Cash Flow”** means all cash funds derived from operations of the Company (including interest received on reserves), without reduction for any noncash charges, but less cash funds used to pay current operating expenses and to pay or establish reasonable reserves for future expenses, debt payments, capital improvements, and replacements as determined by the Members. Cash Flow shall be increased by the reduction of any reserve previously established.

**“Code”** means the Internal Revenue Code of 1986, as amended, or any corresponding provision of any succeeding law.

**“Family”** means a Person's spouse, lineal ancestors or descendants by birth or adoption, siblings, and trusts for the benefit of such Person or any of the foregoing individuals.



**"Fiscal Year"** or **"Annual Period"** means the fiscal year of the Company, as determined under Section V.

**"Initial Book Value"** means, with respect to Property contributed to the Company by an Interest Holder, the Property's fair market value at the time of contribution and, with respect to all other Property, the Property's adjusted basis for federal income tax purposes at the time of acquisition.

**"Interest"** means a Person's share of the profits and losses of, and the right to receive distributions from, the Company.

**"Interest Holder"** means any Person who holds an Interest, whether as a Member or as an unadmitted assignee of a Member.

**"Majority in Interest"** means one or more Members who own, collectively, a simple majority of the Percentage Interests held by Members (or if at a meeting, a simple majority of the Percentage Interests held by Members present at a meeting in which a quorum exists).

**"Member"** means each Person signing this Agreement and any Person who subsequently is admitted as a member of the Company until such time as an Event of Withdrawal has occurred with respect to such Member.

**"Membership Rights"** means all of the rights of a Member in the Company, including a Member's: (i) Interest, (ii) right to inspect the Company's books and records, and (iii) right to participate in the management of and vote on matters coming before the Company.

**"Percentage Interest"** means, as to a Member, the percentage set forth after the Member's name on *Exhibit A*, as amended from time to time, and, as to an Interest Holder who is not a Member, the Percentage of the Member whose Interest has been acquired by such Interest Holder, to the extent the Interest Holder has succeeded to that Member's Interest.

**"Person"** means and includes an individual, corporation, partnership, association, limited liability company, trust, estate, or other entity.



**“Property”** means all real and personal property (including cash) acquired by the Company, and any improvements thereto.

**“Transfer”** means, when used as a noun, any voluntary or involuntary sale, hypothecation, pledge, assignment, attachment, or other transfer, and, when used as a verb, means voluntarily or involuntarily to sell, hypothecate, pledge, assign, or otherwise transfer.

**“Treasury Regulations”** or **“Regulations”** means the income tax regulations, including any temporary regulations, promulgated under the Code as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

### **Section III**

#### **Capital Contributions**

**3.1. Capital Accounts.** A Capital Account shall be maintained for each Interest Holder in accordance with the following provisions:

**3.1.1.** An Interest Holder's Capital Account shall be credited with the amount of money contributed by the Interest Holder to the Company; the fair market value of the Property contributed by the Interest Holder to the Company (net of liabilities secured by such contributed Property that the Company is considered to assume or take subject to under Section 752 of the Code); the Interest Holder's allocable share of Profit; and the amount of Company liabilities that are assumed by the Interest Holder under Regulation Section 1.704-1(b)(2)(iv)(c);

**3.1.2.** An Interest Holder's Capital Account shall be debited with the amount of money distributed to the Interest Holder; the fair market value of any Company property distributed to the Interest Holder (net of liabilities secured by such distributed Property that the Interest Holder is considered to assume or take subject to under Section 752 of the Code); the Interest Holder's allocable share of Loss; and the amount of the Interest Holder's liabilities that are assumed by the Company under Regulation Section 1.704-1(b)(2)(iv)(c);

**3.1.3.** If Company Property is distributed to an Interest Holder, the Capital Accounts of all Interest Holders shall be adjusted as if the distributed Property had been sold in a taxable disposition for the





gross fair market value of such Property on the date of distribution (taking into account Section 7701 of the Code) and the Profit or Loss from such disposition allocated to the Interest Holders as provided in Section IV.

**3.1.4.** If money or other Property (other than a *de minimis* amount) is (i) contributed to the Company by a new or existing Interest Holder in exchange for an interest in the Company; or (ii) distributed by the Company to a retiring or continuing Interest Holder as consideration for an interest in the Company; then, if the Members deem such an adjustment to be necessary to reflect the economic interests of the Interest Holders, the Book Value of the Company's Property shall be adjusted to equal its gross fair market value on such date (taking into account Section 7701(g) of the Code) and the Capital Accounts of all Interest Holders shall be adjusted in the same manner as if all the Company Property had been sold in a taxable disposition for such amount on such date and the Profit or Loss allocated to the Interest Holders as provided in Section IV.

**3.1.5.** To the extent an adjustment to the tax basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulation Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the Book Value of the Company's Property and the Capital Account of the Interest Holders shall be adjusted in a manner consistent with the manner in which the Capital Accounts are required to be adjusted pursuant to that Section of the Regulations.

If any Interest is transferred pursuant to the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent the Capital Account is attributable to the transferred Interest. It is intended that the Capital Accounts of all Interest Holders shall be maintained in compliance with the provisions of Regulation Section 1.704-1(b), and all provisions of this Agreement relating to the maintenance of Capital Accounts or the Adjusted Book Value of Company Property shall be interpreted and applied in a manner consistent with that Section of the Regulations.

### **3.2. Capital Contributions.**

**3.2.1. Initial Capital Contributions.** Upon the execution of this Agreement, the Members shall make contributions to the capital of the Company as set forth in *Exhibit A* attached hereto and by this reference made a part hereof. Initial capital contributions shall be limited to the purchase of at least one and no more than two Shares at a cost per share of \$5,000. Members may not own fractional shares. Any funds invested in the Company shall be non-qualified.



**3.2.2. Additional Capital Contributions.** No additional capital contributions may be required of the Members. After **January 1, 2005**, the Members, upon the affirmative vote of at least 75% of the Members, may at any time or from time to time, increase the number of outstanding shares. Any additional shares authorized by the Company pursuant to this Paragraph shall first be made available to current Members at a price equivalent to the then current share value based on the Members' capital accounts. Within 30 days of the Company's decision to increase the number of outstanding shares, Members desiring to purchase additional shares shall notify the Company in writing of the number of shares desired. If the number of additional shares authorized is less than the number of shares desired by the Members, the additional shares shall be allocated to the current Members by lottery. If the number of additional shares is greater than the number of shares desired to be purchased by the current Members, the additional shares not desired to be purchased by the current Members may be sold and new Members added pursuant to the provisions of Paragraph 7.6. No member may at any time own more than four (4) shares of the Company.

**3.3. Withdrawal or Return of Capital Contributions.** Except as specifically provided in this Agreement, no Interest Holder shall have the right to withdraw or reduce the Capital Contributions he or she makes to the Company. Upon dissolution of the Company or liquidation of his or her interest in the Company, each Interest Holder shall look solely to the assets of the Company for return of his or her Capital Contributions and, if the Company's property remaining after the payment or discharge of the debts, obligations, and liabilities of the Company is insufficient to return the Capital contributions of each Interest Holder, no Interest Holder shall have any recourse against the Company or any Interest Holder.

**3.4. Form of Return of Capital.** Under circumstances requiring a return of any Capital Contributions, no Interest Holder shall have the right to receive property other than cash except as may be specifically provided herein.

**3.5. Salary or Interest.** Except as otherwise expressly provided in Section V of this Agreement, no Interest Holder shall receive any interest, salary, or drawing with respect to his or her Capital Contributions or his or her Capital Account, or for services rendered on behalf of the Company.

**3.6 Valuation of Membership Interest.** Valuation of the Membership Interest shall be calculated as of the close of business on the Friday prior to each Regular Meeting. Such valuation shall be reported to the Members at each Regular Meeting.



## Section IV Allocations and Distributions

**4.1. Allocations.** Profits and Losses shall be allocated for any Fiscal Year in accordance with the Interest Holders' Percentage Interests.

**4.2. Distributions.** Except as otherwise provided in this Agreement, distributions shall be made to the Interest Holders at such times and in such amounts as determined by a vote of at least a 75% Majority in Interest of the Members. Distributions shall be made to the Interest Holders *pro rata* in proportion to the number of shares owned. The other provisions of this Section notwithstanding, no distributions shall be made in 2004.

**4.3. General.**

**4.3.1. Form of Distribution.** In connection with any distribution, no Interest Holder shall have the right to receive Property other than cash except as may be specifically provided herein. If any assets of the Company are distributed in kind to the Interest Holders, those assets shall be valued on the basis of their fair market value, and any Interest Holder entitled to any interest in those assets shall receive that interest as a tenant-in-common with all other Interest Holders so entitled. Unless the Interest Holders otherwise agree, the fair market value of the assets shall be determined by an independent appraiser who shall be selected by the Members.

**4.3.2. Withholding.** All amounts required to be withheld pursuant to Code Section 1446 or any other provision of federal, state, or local tax law shall be treated as amounts actually distributed to the affected Interest Holders for all purposes under this Agreement.

**4.3.3. Varying Interests; Distributions and Allocations in Respect to Transferred Interests.** Profits, losses, and other items shall be calculated on a monthly, daily, or other basis permitted under Code Section 706 and the Regulations. If any Interest is sold, assigned, or transferred during any accounting period in compliance with the provisions of this Agreement, profits, losses, each item thereof, and all other items attributable to such Interest for such period shall be divided and allocated between the transferor and the transferee by taking into account their varying interests during the period in accordance with Code Section



706(d), using any conventions permitted by law and selected by the Members. All distributions on or before the date of such transfer shall be made to the transferor, and all distributions thereafter shall be made to the transferee. Solely for purposes of making such allocations and distributions, the Company shall recognize such transfer not later than the end of the calendar month during which it is given notice of such transfer, provided that if the Company does not receive a notice stating the date such Interest was transferred and such other information as it may reasonably require within thirty (30) days after the end of the Fiscal Year during which the transfer occurs, then all of such items shall be allocated, and all distributions shall be made, to the person who, according to the books and records of the Company, on the last day of the Fiscal Year during which the transfer occurs, was the owner of the Interest. Neither the Company nor any Interest Holder shall incur any liability for making allocations and distributions in accordance with the provisions of this Section, whether or not any Interest Holder or the Company has knowledge of any transfer of ownership of any Interest.

**4.3.4. Knowledge.** The Interest Holders acknowledge that they understand the economic and income tax consequences of the allocations and distributions under this Agreement and agree to be bound by the provisions of this Section IV in reporting their taxable income and loss from the Company.

## **Section V Management**

**5.1. Member-managed.** The Members agree that the management of the Company shall be vested in the Members. The Members shall devote such time and effort as is necessary for the management of the Company in the conduct of its business but shall not be required to devote their full-time efforts to the Company. Each Member at all times shall keep the other Members fully informed as to all such Member's activities on behalf of the Company and all material transactions taken on behalf of the Company and shall disclose to the Members such Member's knowledge of the Company's business and affairs. Each Member shall give investment recommendations and reviews.

**5.2. Member Authority.** Except with respect to duties delegated to a Member in writing signed by those Members constituting a Majority in Interest, no single Member is authorized or empowered to execute, deliver, or perform any agreements, acts, transactions, or matters contemplated in this Agreement on behalf of the Company as agent for the Company, notwithstanding any applicable law, rule, or regulation. Except as otherwise provided in this Agreement, all Company actions must be approved and executed by a Majority in Interest of the Members.



**5.3. Fiduciary Duties.** Notwithstanding anything in this Agreement to the contrary, each Member acknowledges and agrees that each Member shall be accountable to the Company and the other Members as a fiduciary, and shall be bound by a fiduciary duty to the Company and the other Members, to the same extent that applicable law generally imposes such status and duty upon a general partner in a partnership.

**5.4. Actions Requiring Unanimous Consent of the Members.** In addition to those actions for which this Agreement specifically requires the consent of all Members, the Company shall not take any of the following actions without first obtaining the approval of all of the Members:

**5.4.1.** Amend the Articles, except that any amendments required under the Act to correct an inaccuracy in the Articles may be filed at any time by any Member;

**5.4.2.** Authorize the Company to make an assignment for the benefit of creditors of the Company, file a voluntary petition in bankruptcy or consent to the appointment of a receiver for the Company or its assets;

**5.5. Compensation and Expenses.** The Company may enter into management or employment contracts, under such terms and conditions and providing for such compensation as shall be approved by the Members as provided herein, with one or more Interest Holders or Persons Affiliated with the Interest Holders.

**5.6. Books and Records.** At the expense of the Company, the Members shall keep or cause to be kept complete and accurate books and records of the Company and supporting documentation of transactions with respect to the conduct of the Company's business. The books and records shall be maintained in accordance with sound accounting practices and kept at the Company's registered office and such other location or locations as the Members shall from time to time determine. At a minimum the Company shall keep at its registered office the following records:

**5.6.1.** A current list of the full name and last known business, residence, or mailing address of each Member;



5.6.2. A copy of the initial Articles and all amendments thereto and restatements thereof;

5.6.3. Copies of the Company's federal, state, and local income tax returns and reports, if any, for the three most recent fiscal years;

5.6.4. Copies of this Agreement and all amendments hereto or restatements hereof, including any prior operating agreements no longer in effect;

5.6.5. Copies of any documents relating to a Member's obligation to contribute cash, property, or services to the Company;

5.6.6. Copies of any financial statements of the Company for the three most recent fiscal years; and

5.6.7. Copies of minutes of all meetings of the Members and all written consents obtained from Members for actions taken by Members without a meeting.

5.7. **Access to Books and Records.** Each Member shall have the right, during normal business hours, to inspect and copy, at the Member's expense, the Company's books and records.

5.8. **Returns and Other Elections.** The Members shall cause the preparation and timely filing of all tax returns required to be filed by the Company pursuant to the Code and all other tax returns deemed necessary and required in each jurisdiction in which the Company does business.

5.9. **Annual Accounting Period.** The annual accounting period of the Company shall be its Fiscal Year. The Company's Fiscal Year shall be selected by the Members, subject to the requirements and limitations of the Code.

5.10. **Reports.** Within seventy-five (75) days after the end of each Fiscal Year of the Company, the Members shall cause to be sent to each Person who was a Member at any time during the Fiscal Year then ended a complete accounting of the affairs of the Company for the Fiscal Year then ended. In addition, within seventy-five (75) days after the end of each Fiscal Year of the Company, the Members shall cause to be



sent to each Person who was an Interest Holder at any time during the Fiscal Year then ended, that tax information concerning the Company which is necessary for preparing the Interest Holder's income tax returns for that year. At the request of any Member, and at the Member's expense, the Members shall cause an audit of the Company's books and records to be prepared by independent accountants for the period requested by the Member. A report of proposed investment securities will be provided to each Member by the Friday prior to each Regular Meeting.

**5.11. Tax Matters Partner.** Franklin W. Thomason shall be the Company's tax matters partner ("Tax Matters Partner") unless the Members designate another person to serve in this capacity. The Tax Matters Partner shall have all powers and responsibilities provided in Code Section 6221, *et seq.*

**5.12. Title to Company Property.**

**5.12.1.** Except as provided in Section 5.12.2, all real and personal property acquired by the Company shall be acquired and held by the Company in its name.

**5.12.2.** The Members may direct that legal title to all or any portion of the Company's property be acquired or held in a name other than the Company's name. Without limiting the foregoing, the Members may cause title to be acquired and held in their name or in the names of trustees, nominees, or straw parties for the Company. It is expressly understood and agreed that the manner of holding title to the Company's property (or any part thereof) is solely for the convenience of the Company and all of that property shall be treated as Company property.

**5.13 Officers**

**5.13.1** The Officers of the Company shall be chosen by majority vote of the Members and shall include a President, a Vice-President, a Secretary, a Treasurer and a Historian. Collectively, these shall be called the "Officers" or the "Board." "Board" when used in reference to this group of officers, conveys no general or special authority for the Officers to act on behalf of the Company beyond such authority specified herein or by written authorization of the Members.

**5.13.2** The Members shall elect the Officers of the Company at the Regular Meeting held in November. The Officers shall assume their offices effective January 1 and shall serve a one year term.



No Officer shall serve more than four consecutive terms in the same office. The Officers shall exercise such powers and perform such duties as shall be determined from time to time by the Members.

**5.13.3** A vacancy in any office because of death, resignation, removal, disqualification, or otherwise shall be filled by a majority vote of the Members at an interim election called for such purpose. Any Officer elected at an interim election to fill a vacancy in any office shall serve the remaining term of the Officer being replaced.

**5.13.4** The President shall preside at all meetings of the Members and at all meetings of the Board. He or she shall appoint committees, oversee all club activities, sign all contracts and agreements, and all other instruments requiring execution on behalf of the Company, and shall be an authorized signer on the Company checking account.

**5.13.5** The Vice-President shall perform such duties as from time to time may be assigned to him or her. He or she, as authorized by the Members, shall have all the powers and perform all the duties of the President in case of the temporary absence of the President or in case of his or her temporary inability to act. In case of the permanent absence or inability of the President to act, the office shall be declared vacant and a successor chosen by the Members. The Vice-President shall appoint Members to present stock reviews for each meeting, maintain a record of such reports, and shall be an authorized signer on the Company checking account. The Vice-President shall arrange for educational presentations to the Members at least twice per calendar year.

**5.13.6** The Secretary shall see that the minutes of all meetings of Members and of any standing committees are kept and properly distributed. The Secretary shall have charge of all of the books and records of the Company except the books of accounts, and in general shall perform all the duties incident to the office of Secretary of a Company and such other duties as may be assigned. He or she shall be an authorized signer on the Company checking account.

**5.13.7** The Treasurer shall collect and have general custody of all the funds and securities of the Company. The Treasurer shall see to the deposit of the funds of the Corporation in such bank or banks as the Members shall designate and shall be responsible for preparing buy/sell orders and coordinating with the broker designated by the Members. Regular books of account shall be kept under the Treasurer's direction and supervision, and the Treasurer shall render monthly and annual financial statements to the





Members at proper times. The Treasurer shall have charge of the preparation and filing of such reports, financial statements, and returns as may be required by law. He or she shall receive all corporate mailings, sign stock proxies and be the primary authorized signer on the Company checking account. The Treasurer shall give to the Company such fidelity bond as may be required and the premium therefore shall be paid by the Company as an operating expense.

**5.13.8** The Historian shall maintain a log of meeting proceedings and Member information related to the Company

**5.14 Collateral.** The assets of the Company shall not be pledged as collateral for a loan, except that pursuant to Paragraph 6.15.2, the Members may authorize by a 75% Majority in Interest use of margin capacity up to 40% of the capital of the Company. A situation arising from involuntary purchase of a security, resulting from put contract ('s) being exercised could exceed the maximum margin amount. In this case the margin amount will be brought within the limit prescribed at the next membership meeting.

## **Section VI**

### **Members**

**6.1. Meetings.** Unless otherwise prescribed by the Act, meetings of the Members may be called, for any purpose or purposes, by a Majority in Interest of the Members, or by a majority of the Officers. Regular Meetings of the Members shall be held on the second Wednesday of each month at 7:00 p.m., unless a different time is determined by a Majority in Interest of the Members. The January Regular Meeting shall be considered the Annual Meeting of the Company. Notice required by Paragraph 6.3 is not required for Regular Meetings of the Members, however, notice of changes in the Regular Meeting time shall be given in accordance with Paragraph 6.3. Attendance at Regular Meetings is limited to Members, their immediate family members, professional advisors and guests approved in advance by the Members. The Company's Officers shall meet approximately 60 minutes before each Regular Meeting and any Member shall be entitled to attend the Officers' meeting.

**6.2. Place of Meetings.** Whoever calls the meeting may designate any place, either within or outside the State of Arizona, as the place of meeting for any meeting of the Members.



**6.3. Notice of Meetings.** Except as provided in this Agreement, written notice stating the date, time, and place of the meeting, and the purpose or purposes for which the meeting is called, shall be delivered not less than three (3) nor more than fifty (50) days before the date of the meeting, either personally or by mail, facsimile, or overnight or next-day delivery services by or at the direction of the person or persons calling the meeting, to each Member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered two (2) days after deposited in the United States mail, postage prepaid, addressed to the Member at his or her address as it appears on the books of the Company. If transmitted by way of facsimile, such notice shall be deemed to be delivered on the date of such facsimile transmission to the fax number, if any, for the respective Member which has been supplied by such Member to the Company and identified as such Member's facsimile number. If transmitted by overnight or next-day delivery, such notice shall be deemed to be delivered on the next business day after deposit with the delivery service addressed to the Member at his or her address as it appears on the books of the Company. When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken, unless the adjournment is for more than thirty (30) days. At the adjourned meeting the Company may transact any business which might have been transacted at the original meeting.

**6.4. Meeting of All Members.** If all of the Members shall meet at any time and place, including by conference telephone call, either within or outside of the State of Arizona, and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice.

**6.5. Record Date.** For the purpose of determining Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, the date on which notice of the meeting is mailed shall be the record date for such determination of Members. For Regular Meetings, the record date shall be three days prior to the scheduled meeting. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this Section, such determination shall apply to any adjournment thereof, unless notice of the adjourned meeting is required to be given pursuant to Section 6.3.

**6.6. Quorum.** A Majority in Interest of the Members, represented in person or by proxy, shall constitute a *quorum* at any meeting of Members. Business may be conducted once a *quorum* is present.

**6.7. Voting Rights of Members.** Each Member shall be entitled to one vote for each share of the Company owned by that Member, unless a decision of the Members specifically identified herein is to be



decided by a majority of the Members, rather than a Majority in Interest of the Members. For decisions requiring only a majority of the Members, each Member is entitled to one vote. If all or a portion of an Interest is transferred to an assignee who does not become a Member, the Member from whom the Interest is transferred shall no longer be entitled to vote the Interest transferred nor shall the transferred Interest be considered outstanding for any purpose pertaining to meetings or voting. No withdrawn Member shall be entitled to vote nor shall such Member's Interest be considered outstanding for any purpose pertaining to meetings or voting.

**6.8. Manner of Acting.** Unless otherwise provided in the Act, the Articles of Organization, or this Agreement, the affirmative vote of a Majority in Interest of the Members at a meeting at which a *quorum* is present shall be the act of the Members.

**6.9. Proxies.** At all meetings of Members a Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Company before or at the time of its exercise. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

**6.10. Action by Members without a Meeting.** Any action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, circulated to all the Members with an explanation of the background and reasons for the proposed action, signed by that percentage or number of the Members required to take or approve the action. Any such written consents shall be delivered to the Company for inclusion in the minutes or for filing with the Company records. Action taken by written consent under this Section shall be effective on the date the required percentage or number of the Members have signed and delivered the consent to the Company, unless the consent specifies a different effective date. The record date for determining Members entitled to take action without a meeting shall be the date the written consent is circulated to the Members.

**6.11. Telephonic Communication.** Members may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in such meeting shall constitute attendance and presence in person, except where the Member participates in the meeting for the express purpose of objecting to the transaction of any business on the ground the meeting is not lawfully called or convened.



**6.12. Waiver of Notice.** When any notice is required to be given to any Member, a waiver thereof in writing signed by the Person entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

**6.13 Minimum Attendance Requirement.** Each member is required to attend at least five (5) Regular Meetings during each calendar year.

**6.14 Number of Members.** The maximum number of members of the Company shall be limited to 50.

**6.15 Actions by Members.** In addition to specific actions mentioned elsewhere in this Agreement, the following actions require the designated Member approval:

**6.15.1** Normal Investment Decisions – Majority in Interest

**6.15.2** Use of Margin – 75% Majority in Interest as limited by Paragraph 5.14

**6.15.3** Broker Selection – 66 2/3% Majority in Interest

**6.15.4** Amendment of Operating Agreement – 66 2/3% Majority in Interest

**6.15.5** Emergency Investment Decisions (investment opportunities requiring decisions under conditions where a quorum of the Members cannot be assembled due to short notice or other unforeseen circumstances) – Unanimous written consent of a quorum of the Board. The need for and rationale supporting Emergency Investment Decisions shall be documented in writing and reported to the Members at the next Regular Meeting. No Emergency Investment Decision shall be authorized that requires investment of more than 5% of the total Company capital. There shall be no limit on Emergency Investment Decisions related to sales where the market price of a Company investment falls below its stop loss point as predetermined by the Members.

**6.15.6** Option contracts that are in danger of being exercised before the next membership meeting and are not designated to go to term as part of the



conditions of the transaction vote will either be closed or rolled to subsequent month expiration at the discretion of the clubs broker and any one (1) of the board members.

## **Section VII**

### **Transfers and Withdrawals**

**7.1. Transfers.** Except as otherwise provided in this Section VII, no Member may Transfer all, or any portion of, or any interest or rights in, the Membership Rights owned by the Member, and no Interest Holder may Transfer all, or any portion of, or any interest or rights in, any Interest without the prior written consent of a Majority in Interest of the Members, which consent may be withheld in the Members' sole and absolute discretion. Any sale or foreclosure of a security interest will itself constitute a Transfer independent of the grant of security. Each Member hereby acknowledges the reasonableness of this prohibition in view of the purposes of the Company and the relationship of the Members. The Transfer of any Membership Rights or Interests in violation of the prohibition contained in this Section 7.1 shall be deemed invalid, null, and void, and of no force or effect. Any Person to whom Membership Rights or an Interest are attempted to be transferred in violation of this Paragraph 7.1 shall not be entitled to vote on matters coming before the Members, participate in the management of the Company, act as an agent of the Company, receive allocations or distributions from the Company, or have any other rights in or with respect to the Membership Rights or Interest. Notwithstanding the restrictions of this Paragraph, any Member may transfer all or any of his or her shares to other Members of the Company. The Transferring Member shall provide the Company with written notice of the Member's intent to transfer specific shares and the price at which the Member is willing to transfer those shares. Within 30 days of such notice, each Member desiring to purchase the Transferring Member's shares shall submit written offers for such shares to the Company. If the number of shares desired to be purchased by the Members exceeds the number of shares offered for transfer, the Member or Members to purchase the transferred shares shall be selected by lottery. If the number of shares desired to be purchased by the Members is less than the number of shares offered, the Transferring Member shall sell the Members shares on the agreed terms to the offering Members. The Transferring member may then elect to retain the remaining shares or withdraw pursuant to Paragraph 7.2.

**7.2. Withdrawal.** After January 1, 2005, any Member may voluntarily withdraw from the Company on thirty (30) days prior written notice to the Company. The withdrawal shall be effective at the expiration of the thirty day period (the "Liquidation Date") unless the Company, by a vote of a Majority in Interest of the Members other than the withdrawing Member notifies the withdrawing Member that withdrawal shall be



effective at an earlier date. Paragraph 7.1 and Paragraph 7.8.1 respecting payments to a withdrawn Member shall apply to the withdrawn Member. The withdrawing Member shall not be entitled to vote in any matter, including dissolution, after giving notice of his or her intent to withdraw nor shall his or her interest be counted in the computation of a quorum or in the total interests entitled to vote on any matter.

**7.3. Expulsion of a Member.** A Member may be expelled from the Company, with or without cause, by the affirmative vote of a majority of the Members other than the Member subject to expulsion. Unless otherwise provided in the vote of expulsion, the effective date of the expulsion shall be the date of the vote, and Paragraph 7.8.1 respecting payments to a withdrawn Member shall apply to the expelled Member.

**7.4. Option on Death or Bankruptcy.** On the death, incapacity, bankruptcy, or similar event described in Section 29-733(4) or (5) of the Act (whether voluntary or involuntary) of a Member or Interest Holder, the Member or Interest Holder (or such Person's estate) shall offer, or shall automatically be deemed to have offered, for a reasonable purchase price and on reasonable terms, to transfer the Member's or Interest Holder's Interest pursuant to Paragraph 7.1. Such reasonable purchase price shall be equal to the value of the Member's Capital Account as of the date the Company received notice of the Member's death, incapacity, bankruptcy or similar event., unless another price is agreed to by the parties. If the Member's or Interest Holder's interest is not fully transferred pursuant to Paragraph 7.1, the residual interest shall be subject to withdrawal pursuant to Paragraph 7.2, except that no withdrawal penalties shall be assessed.

**7.5. No Transfer of Membership Rights.** The Transfer of an Interest shall not result in the Transfer of any of the Transferring Member's other Membership Rights, if any, and unless the transferee is admitted as a Member pursuant to Section VII of this Agreement, the transferee shall only be entitled to receive, to the extent transferred, the share of distributions, including distributions representing the return of contributions, and the allocation of Profits and Losses (and other items of income, gain, or deduction), to which the Transferring Member would have otherwise been entitled with respect to the Transferring Member's Interest. The transferee shall have no right to participate in the management of the business and affairs of the Company or to become or to exercise any rights of a Member.

**7.6. Additional and Substitute Members.** No person shall be admitted as a Member of the Company after the date of formation of the Company without the written consent or approval of a Majority in Interest of the Members at the time of such admission, which consent may be withheld in the Members' sole and absolute discretion.



**7.7. Expenses.** Expenses of the Company or of any Interest Holder occasioned by transfers of Interests shall be reimbursed to the Company or Interest Holder, as the case may be, by the transferee.

**7.8. Distributions on Withdrawal.**

**7.8.1.** Upon the occurrence of an Event of Withdrawal under Section 29-733(1) or (3) of the Act (voluntary withdrawal or expulsion), if the Company is not dissolved pursuant to Section VIII, the withdrawn Member shall cease to have any right to participate in any allocations of profits or losses or to receive any distributions from the Company, other than the right to receive a withdrawal distribution equal to the balance of his or her capital account determined as if the Company had liquidated at close of business on the Liquidation Date, reduced by a \$50.00 withdrawal fee payable to the Company, any commissions or costs incurred by the Company incident to the withdrawal, and any damages suffered by the Company if such Event of Withdrawal constituted a breach of this Agreement. The withdrawal distribution shall be payable by the Company within 90 days of receipt by the Company of notice of such event of withdrawal. Notwithstanding the provisions of this Paragraph, If the withdrawing Member's interest is transferred to a current Member, the provisions of Paragraph 7.1 shall govern.

**7.8.2.** Upon the occurrence of an Event of Withdrawal under Section 29-733(2) or (6) through (11), if the Company is not dissolved pursuant to Section VIII, the withdrawn Member shall not be entitled to receive a withdrawal distribution; rather, the interest of the withdrawn Member shall be held by the withdrawn Member's successors or assigns as an assignee subject to rights of the Company and the Members under this Agreement.

**7.8.3.** If the Company is dissolved pursuant to Section VIII following an Event of Withdrawal, the Member (or the Member's assignee) shall continue to participate in Company profits, losses, and distributions as an assignee of the Member's interest in the Company, until the Company is wound up and terminated in accordance with this Agreement, reduced by any damages suffered by the Company if the Event of Withdrawal constituted a breach of this Agreement.



7.8.4. For purposes of this Agreement, neither the bankruptcy, reorganization, insolvency, nor the making of an assignment for the benefit of creditors under A.R.S. Section 29-733(4) or (5) shall constitute an Event of Withdrawal.

## Section VIII Dissolution and Termination

### 8.1. *Dissolution.*

8.1.1. **Events of Dissolution.** The Company will be dissolved upon the occurrence of any of the following events:

8.1.1.1. Upon the unanimous written consent of the Members;

8.1.1.2. Upon the entry of a decree of dissolution under Section 29-785 of the Act;

8.1.1.3. Upon the occurrence of any Event of Withdrawal unless within ninety (90) days after the occurrence of the Event of Withdrawal the business of the Company is continued by the specific consent of the remaining Members owning a majority of the Capital Accounts as determined under this Agreement on the date of the Event of Withdrawal. Except as provided in this Section 8.1.1.4, an Event of Withdrawal with respect to a Member shall not cause a dissolution and the Company shall automatically continue following such an Event of Withdrawal;

8.1.1.4. Upon the sale or other disposition of all or substantially all of the Company's assets and receipt by the Company of the proceeds therefrom.

8.2. **Distributions and Other Matters.** The Company shall not terminate until its affairs have been wound up and its assets distributed as provided herein. Promptly upon the dissolution of the Company, the Members shall cause to be executed and filed a Notice of Winding Up with the Arizona Corporation Commission in accordance with Section 29-781 of the Act, and will liquidate the assets of the Company and apply and distribute the proceeds of such liquidation, or distribute the Company's assets in kind, as follows and in the following order:





**8.2.1. Ordinary Debts.** To payment of the debts and liabilities of the Company, including debts owed to Interest Holders, in the order of priority provided by law; provided that the Company shall first pay to the extent permitted by law, liabilities with respect to which any Interest Holder is or may be personally liable;

**8.2.2. Reserves and Distributions.** To the setting up of such reserves as the Members may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company arising out of or in connection with the Company business; and

**8.2.3. Remainder.** The balance of the proceeds shall be distributed to the Interest Holders, and to any withdrawn Members as required under Section VII, in accordance with the positive balance in their Capital Accounts, determined as though all of the Company assets were sold for cash at their fair market value as of the date of distribution. Any such distributions shall be made in accordance with the timing requirements of Treasury Regulation Section 1.704-1(b)(2)(ii)(b)(2). Notwithstanding anything in this Agreement to the contrary, distributions to any withdrawn Members pursuant to Section VII shall not exceed the amount provided in Section VII and shall be reduced to the extent necessary to make distributions to Interest Holders equal to the positive capital account balances of the Interest Holders;

**8.3. Deficit Capital Accounts.** Notwithstanding anything to the contrary in this Agreement, if any Interest Holder's Capital Account has a deficit balance (taking into account all contributions, distributions, and allocations for the year in which a liquidation occurs), the Interest Holder shall not be obligated to make any contribution to the capital of the Company and the negative balance of such Interest Holder's Capital Account shall not be considered a debt owed by the Interest Holder to the Company or to any other person for any purpose whatsoever.

**8.4. Rights of Interest Holders/Distributions of Property.** Except as otherwise provided in this Agreement, each Interest Holder shall look solely to the assets of the Company for the return of his or her Capital Contribution and shall have no right or power to demand or receive property other than cash from the Company. No Interest Holder shall have priority over any other Interest Holder for the return of his or her Capital Contributions, distributions, or allocations.

**8.5. Articles of Termination.** When all the assets of the Company have been distributed as provided herein, the Members shall cause to be executed and filed Articles of Termination as required by the Act.



## Section IX

### Other Interests of an Interest Holder

Any Interest Holder may engage in or possess interests in other business ventures of every nature and description, independently or with others. Neither the Company nor any Interest Holder shall have any right to any independent ventures of any other Interest Holder or to the income or profits derived therefrom. The fact that an Interest Holder, a member of his or her Family, or an Affiliate is employed by, or owns, or is otherwise directly or indirectly interested in or connected with, any person, firm, or corporation employed or retained by the Company to render or perform services, including without limitation, management, contracting, mortgage placement, financing, brokerage, or other services, or from whom the Company may buy property or merchandise, borrow money, arrange financing, or place securities, or may lease real property to or from the Company, shall not prohibit the Company from entering into contracts with or employing that person, firm, or corporation or otherwise dealing with him or it, and neither the Company nor any of the Interest Holders as such shall have any rights in or to any income or profits derived therefrom provided that the transaction or Agreement is approved as provided in Section V.



Money Matters Investment Club, LLC

**Section X**  
**Indemnity**

**10.1. Indemnity Rights.** The Company shall indemnify each Member or Interest Holder who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of his or her actions as a Tax Matters Partner, Member or Interest Holder or by reason of his or her acts while serving at the request of the Company as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses, including attorneys' fees, and against judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit, or proceeding, provided that the acts of such Member or Interest Holder were not committed with gross negligence or willful misconduct, and, with respect to any criminal action or proceeding, such Member or Interest Holder had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, or conviction, or upon a plea of no contest or its equivalent, shall not, in and of itself, create a presumption that the Member or Interest Holder acted with gross negligence or willful misconduct, or with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

**10.2. Notice and Defense.** Any Member or Interest Holder who is or may be entitled to indemnification shall give timely written notice to the Company, the Members and Interest Holders that a claim has been or is about to be made against him or her, shall permit the Company to defend him or her through legal counsel of its own choosing, and shall cooperate with the Company in defending against the claim. A Majority-in-Interest of the Members other than the Member or Interest Holder seeking indemnification shall have the sole power and authority to determine the terms and conditions of any settlement of the claim.

**10.3. Other Sources.** The indemnification provided for herein shall apply only in the event, and to the extent that, the person is not entitled to indemnification, or other payment, from any other source (including insurance), and the Company's indemnity obligations hereunder shall be in excess of any indemnification or other payment provided by such other source.

**10.4. Survival.** The indemnification provided for herein shall continue as to a person who has ceased to be a Member or Interest Holder and shall inure to the benefit of the heirs, executors, and administrators of such person.



## Section XI Miscellaneous

**11.1. Notices.** Any notice, demand, offer, or other communication which any person is required or may desire to give to any other person shall be delivered in person or by United States mail, facsimile, electronic mail (e-mail) or overnight or next-day delivery service. If mailed, such notice shall be deemed to be delivered two (2) days after deposited in the United States mail, postage prepaid, addressed to the person at his or her address as it appears on the books of the Company. If transmitted by way of facsimile or e-mail, such notice shall be deemed to be delivered on the date of such facsimile or e-mail transmission to the fax number or e-mail address, if any, for the person which has been supplied by such person and identified as such person's facsimile number or e-mail address. If transmitted by overnight or next-day delivery, such notice shall be deemed to be delivered on the next business day after deposit with the delivery service addressed to the person at his or her address as it appears on the books of the Company.

**11.2. Bank Accounts.** All funds of the Company shall be deposited in a bank account or accounts opened in the Company's name. The Members shall determine the institution or institutions at which the accounts will be opened and maintained, the types of accounts, and the Persons who will have authority with respect to the accounts and the funds therein.

**11.3. Partial Invalidity.** The invalidity of any portion of this Agreement will not affect the validity of the remainder hereof.

**11.4. Governing Law; Parties in Interest.** This Agreement will be governed by and construed according to the laws of the State of Arizona without regard to conflicts of law principles and will bind and inure to the benefit of the heirs, successors, assigns, and personal representatives of the parties.

**11.5. Amendment.** This Agreement may only be amended, restated, or revoked by the written consent of a 66 2/3% Majority in Interest of the Members provided, however, that any provision of this Agreement requiring a vote or consent of more than a Majority in Interest of the Members may only be amended by the written consent of the Members holding the Percentage Interest required to take or approve the action set forth in that provision.



11.6. **Execution in Counterparts.** This Agreement may be executed in counterparts, all of which taken together shall be deemed one original.

11.7. **Titles and Captions.** All article, section, or paragraph titles or captions contained in this Agreement are for convenience only and are not deemed part of the context thereof.

11.8. **Pronouns and Plurals.** All pronouns and any variations thereof are deemed to refer to the masculine, feminine, neuter, singular, or plural as the identity of the person or persons may require.

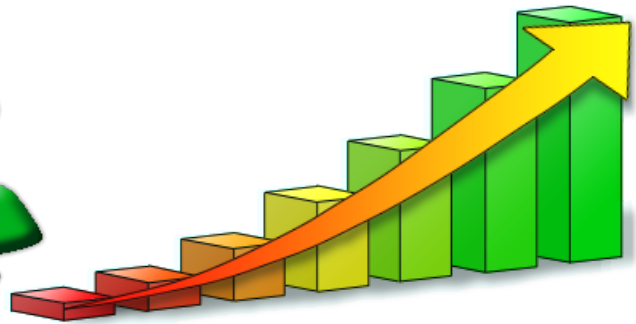
11.9. **Waiver of Action for Partition.** Each of the Interest Holders irrevocably waives any right that he or she may have to maintain any action for partition with respect to any of the Company Property.

11.10. **Entire Agreement.** This Agreement contains the entire understanding between the parties, and supersedes any prior understandings and agreements between or among them with respect to the subject matter hereof.

11.11. **Estoppel Certificate.** Each Member shall, within ten (10) days after written request by any Member, deliver to the requesting Person a certificate stating, to the Member's knowledge, that: (a) this Agreement is in full force and effect; (b) this Agreement has not been modified except by any instrument or instruments identified in the certificate; and (c) there is no default hereunder by the requesting Person, or if there is a default, the nature and extent thereof.



*Money Matters Investment Club, LLC*



## **Section XII Arbitration**

If the parties are unable to resolve any dispute arising out of this Agreement either during or after its term informally, including the question as to whether any particular matter is arbitrable, the parties agree to submit the matter to binding arbitration. In the event the parties have not agreed upon an arbitrator within twenty (20) days after either party has demanded arbitration, either party may file a demand for arbitration with the Phoenix regional office of the American Arbitration Association (“AAA”) and a single arbitrator shall be appointed in accordance with the then existing Commercial Arbitration Rules of the AAA. Discovery may be conducted either upon mutual consent of the parties, or by order of the arbitrator upon good cause being shown. In ruling on motions pertaining to discovery, the arbitrator shall consider that the purpose of arbitration is to provide for the efficient and inexpensive resolution of disputes, and the arbitrator shall limit discovery whenever appropriate to insure that this purpose is preserved. The dispute between the parties shall be submitted for determination within sixty (60) days after the arbitrator has been selected. The decision of the arbitrator shall be rendered within thirty (30) days after the conclusion of the arbitration hearing. The decision of the arbitrator shall be in writing and shall specify the factual and legal basis for the decision. Upon stipulation of the parties, or upon a showing of good cause by either party, the arbitrator may lengthen or shorten the time periods set forth herein for conducting the hearing or for rendering a decision. The decision of the arbitrator shall be final and binding upon the parties. Judgment to enforce the decision of the arbitrator, whether for legal or equitable relief, may be entered in any court having jurisdiction thereof, and the parties hereto expressly and irrevocably consent to the jurisdiction of the Arizona Courts for such purpose. The arbitrator shall conduct all proceedings pursuant to the then existing Commercial Arbitration Rules of the AAA, to the extent such rules are not inconsistent with the provisions of this Article III. The Uniform Rules of Procedure for Arbitration shall not apply to any arbitration proceeding relating to the subject matter or terms of the documents. In the event a dispute is submitted to arbitration pursuant to this Section, the prevailing party shall be entitled to the payment of its reasonable attorneys' fees and costs, as determined by the arbitrator. Each of the parties shall keep all disputes and arbitration proceedings strictly confidential, except for disclosures of information required by applicable law or regulation.