

## Partnership Agreement of M<sup>3</sup> Investment Pioneers Fund

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This AGREEMENT of PARTNERSHIP is effective as of [DATE] by and between the undersigned. Four months incubation period from March 1<sup>st</sup> 2023 – July 1<sup>st</sup> 2023 (See section 7 below).

NOW, THEREFORE IT IS AGREED:

1. **Formation of the Partnership.** The undersigned hereby form a General Partnership in accordance with and subject to the laws of the State of Delaware.
2. **Name.** The name of the partnership shall be M<sup>3</sup> Investment Pioneers Fund.
3. **Term.** The Partnership shall begin on the first day of each year (January 1<sup>st</sup>) and shall continue until the last day (December 31<sup>st</sup> of the same year and thereafter from year to year until the partnership is completely dissolved. For Year one, the partnership will begin on the effective date.
4. **Purpose.** The only purpose of the partnership is to invest the assets of the partnership solely in publicly traded individual corporate stocks and ETFs (Exchange Traded Funds), for the financial benefit of the partners. All trade executions will be made by M<sup>3</sup> Automated Trading Platform, developed and owned by Bashir Ahmed of M<sup>3</sup> Investment Management Services LLC. No other investment can be made using the asset of this partnership. By signing this agreement, all members agree to this decision and agree not to interfere with M<sup>3</sup> Platform such as executing manual trades. M<sup>3</sup> Investment Management Services LLC will act as the fund manager and the general partner, bearing all liabilities of the partnership.
5. **Meetings.** Periodic meetings shall be held as determined by the partnership and described in the partnership Operating Procedures. A quorum of 40% of the active partners must be in attendance at a meeting in order to conduct any business.
6. **Capital Contributions.** Each partner shall make a one-time equal contribution of \$100,000 to the partnership on the effective date. Any partner can make an additional contribution in increments of \$50K at the beginning of each month until Sept of each year. No additional fund can be added by any member after September. However, no partner may own more than 2.0 times the percentage of the Fund that he/she represents to the number of members. For instance, in a Fund of 10 members, no member may own more than 20% ( $2 \times 1/10 = .20$  or 20%) of the capital accounts of all the partners.
7. **Capital Contributions during the incubation period.** While the promise of M<sup>3</sup> algorithm is significant and the founder (Bashir Ahmed) has extremely high confidence real trades results (trades executed by the broker house using real money) will be identical to real-time simulation trade results (trades executed in real-time tracking position entry/exit in a local database but not executed by the broker house), to be 100% confident, the fund will have a 4 months incubation period prior to the effective date. During the incubation period, all members will contribute 50% (\$50K) of their \$100K to confirm the results, followed by the rest of the fund (\$50K) after the incubation period. After the incubation period, all members will have the right to withdraw their original \$50K (minus any losses incurred, if any, but no more than 25% loss). Bashir Ahmed will contribute \$100K during the incubation period and other members who feel comfortable may also do so to give the incubation fund enough buying capacity to ensure success. Any loss >25% will be paid by M<sup>3</sup> Investment Management Services LLC (Bashir Ahmed). After the incubation period confirms the results and profitability, all members shall deposit the rest of the fund (\$50K) to confirm his/her membership, and the partnership will become effective after all members have signed and deposited \$100K to the fund. After the incubation period and M<sup>3</sup> has confirmed the profitable results, if a member still wants to withdraw from the partnership, he/she will get back the original \$50K – no profit will be shared with the withdrawing partner.
8. **LLP Profit Sharing.** Profits up to 30% gains will be distributed to all members according to their % contribution to the LLP and pro-rated based on the number of days the member's money is in use. Any profit >30% will be split 50/50 between M<sup>3</sup> Investment Management Services LLC and the member. As all trading will be done by an automated program, M<sup>3</sup> will not charge any management or commission fees to the LLP except for the normal operational costs (e.g. printing materials, meeting-related costs, etc.). An example – let's assume we have 10 members each contributing \$100K and the LLP starts with a \$1M capital, scenario 1 - if we make a 15% return (\$150K) at the end of 12 months, \$15K profit will be distributed to each member as pass-thru capital gains income and each member will have to file their own taxes and the M<sup>3</sup> fund manager will not get any compensation. Scenario 2 - if we make a 30% return (\$300K) at the end of 12 months, \$30K profit will be distributed to each member as pass-thru capital gains income and each member will have to file their own taxes, and the M<sup>3</sup> fund manager will not get any compensation. Scenario 3 - if we make an 80% return (\$800K) at the end of 12 months, (\$30K + \$25K) \$55K profit will be distributed to each member as pass-thru capital gains income and each member will have to file their own taxes, the M<sup>3</sup> fund manager will retain \$25K as performance compensation (50/50 profit share after the partners have made 30% return on their investment). This profit-sharing scheme will be in effect for this particular LLP only. M<sup>3</sup> Investment Management Services LLC intends to set up different profit-sharing agreements with all other external investors, based on the market demand.

9. **Ownership rights to M<sup>3</sup> Investment Management Services LLC (M<sup>3</sup>), not the algorithm.** As the Pioneer member of this partnership, each partner will own 0.25% rights to M<sup>3</sup> (for every \$50K), which has been developed by Bashir Ahmed who owned 100% rights prior to this partnership going into effect. Once all members have deposited \$100K to this partnership, a 0.5% ownership right will become effective. Including Bashir Ahmed, who will also contribute \$100K to this partnership, the first 20 members will earn this 0.5% ownership rights to M<sup>3</sup>. So, Bashir Ahmed will remain 90.5% owner of M<sup>3</sup> and the remaining 9.5% ownership will be shared between the 19 partners (0.5% each \* 19 + 0.5% for Bashir Ahmed). If a partner decides to acquire more than 0.5% ownership in M<sup>3</sup>, he/she may choose to do so by adding a \$50K increment but before the partnership has acquired 10% of M<sup>3</sup>. In order to keep the 0.5% ownership to M<sup>3</sup>, the partner must keep his/her initial \$100K invested in the partnership. If a member decides to take out all of his/her money, he/she will lose their M<sup>3</sup> ownership right. The 0.25% ownership to M<sup>3</sup> for \$50K will be available until M<sup>3</sup> has secured \$2M in total capital (we expect this period to be no more than 12-24 months). After M<sup>3</sup> has proven itself such as actual trade results tracking real-time simulation trade results (we anticipate this happening during the first 12 months period), if a new member joins but before 10% ownership of M<sup>3</sup> has been allocated, the cost of .25% ownership to M<sup>3</sup> to the new member will be significantly higher than \$50K and that will be determined by the valuation of M<sup>3</sup> Investment Management Services LLC.
10. **Transfer/Sale of M<sup>3</sup> Ownership:** All Pioneer partners will have the right to sell his/her M<sup>3</sup> ownership (All or none basis – to keep the partnership to a fixed number of 20 members or less) to others - the sale/transfer and the new partner must be approved by 70% of the existing partners.
11. **Benefit of being an M<sup>3</sup> Owner:** Once M<sup>3</sup> has created a proven track record using the Pioneers Fund assets, we anticipate external investors will start to invest with M<sup>3</sup> Management Services LLC. M<sup>3</sup> will share profit with external investors using a ZERO/TEN/60:40 profit sharing arrangement (zero management fees, the investor keeps 100% of the first 10% return and then splits rest of the return using 60/40 split – M<sup>3</sup> keeps 60%, the investor keeps 40%). All profits realized by M<sup>3</sup> from external investors' money will be split between all M<sup>3</sup> Pioneers Fund owners according to their proportionate ownership. A partner with 0.5% ownership to M<sup>3</sup> (due to their \$100K initial investment as the Pioneer partner) may expect to get the following returns.

#### **\$100K Return Potential @30% M<sup>3</sup> Performance**

Investor's initial \$100K return could start bringing in \$5k in Year 3 to \$34K in Year 10, just from the external investments

<b>Year</b>	<b>Ind. Partner Asset - @30% (without ownership to M<sup>3</sup>)</b>	<b>Ind. Partner Asset - PB+OB @30%</b>	<b>M<sup>3</sup> Ownership Benefit (from external investors' money)</b>
Year 0	\$100,000	\$100,000	0
Year 1	\$130,000	\$130,000	0
Year 2	\$169,000	\$172,380	\$3,380
Year 3	\$219,700	\$224,094	\$ 4,394
Year 4	\$285,610	\$291,322	\$5,712
Year 5	\$371,293	\$378,719	\$7,426
Year 6	\$482,681	\$492,335	\$9,654
Year 7	\$627,485	\$640,035	\$12,550
Year 8	\$815,731	\$832,045	\$16,315
Year 9	\$1,060,450	\$1,081,659	\$21,209
Year 10	\$1,378,585	\$1,406,157	\$27,572

Assumption – M<sup>3</sup> makes 30% returns on all assets under management and partners do not withdraw any funds. External investors start to invest with M<sup>3</sup> beginning of Year 2 bringing in the same amount of capital Pioneers Fund has. Note – 30% return is the most conservative return observed for M<sup>3</sup> during the simulation period. Actual returns could be much higher if M<sup>3</sup> returns 60% or 80% level.

12. **Accounting** The Fund will account for its finances and prepare required tax forms. Record of all transactions of the partnership including money in/out, trade logs shall be kept and at all times be available and open to inspection and examination by any partner. All partners will have to file their own taxes as the Fund will pass-thru all earnings/losses to the partners using Schedule K.
13. **Value of the Partnership.** (Sum of contributions from all partners + capital gains) – (sum of trading costs + other expenses + capital losses). Partners will not be allowed to leave the partnership until the agreed partnership period. Exceptions must be approved by 75% of the partners.
14. **Capital Accounts.** There will be a single bank account holding all assets of the partnership. Individual capital contributions will be tracked thru that account and also entered into an auditable book of records. All disbursements will be made at the end of the fiscal year (Dec 31<sup>st</sup> of each year) and all partners will have the option to take out their investment or reinvest on the renewal date of the partnership.

15. **Expenses.** Expenses of the partnership shall be paid by the partnership and recorded in the book of accounts. Any expenses greater than \$100 that are not trade execution-related must be approved in partnership meetings. However, the General Partner should have the flexibility to expense non-trade related costs on behalf of the partnership that is less than \$100 in value (e.g. cost of printing documents). All expenses incurred on behalf of the partnership must be executed using credit cards / Checks that belong to the partnership. Any other expenses reimbursed by the partnership must be made using a proper expense reporting/review/approval system. All trade execution costs will be tracked by the trading company's platform (i.e. if the Broker account is with TD Ameritrade, TD system of records will be used to track all trading-related costs).
16. **Annual Accounting.** Each calendar year, the partnership will conduct an independent audit of the accounts and a full and complete account of the condition of the partnership shall be made to all the partners.
17. **Bank Account.** The partnership will select a bank for the purpose of opening a bank account. Funds in the bank account shall be withdrawn by checks signed by the representative of the General Partner only.
18. **Broker Account.** None of the partners of this partnership shall be a broker. However, the partnership will select TD Ameritrade as the broker (subject to change due to conditions beyond the control of the partnership) and enter into such agreements with the broker as required for the purchase or sale of securities. Securities owned by the partnership shall be registered in the partnership name.

Any corporation or transfer agent called upon to transfer any securities to or from the name of the partnership shall be entitled to rely on instructions or assignments signed by General Partner and confirm the validity of any transfer to or from the name of the partnership.

At the time of a transfer of securities, the corporation or transfer agent is entitled to assume (1) that the partnership is still in existence and (2) that this Agreement is in full force and effect.

19. **Management.** Each partner shall participate in the management and conduct of the affairs of the partnership. Decisions shall be made by a majority of the partners (each partner has 1 vote) in attendance at a meeting unless a special request is made for a vote based on proportional ownership.

The partnership will adopt Operating Procedures that shall govern the specific conduct of the affairs of the partnership in accordance with this agreement. These Operating Procedures shall be adopted and can be amended from time to time, by a majority vote of the partners present at a Fund meeting that meets the requirements for conducting Fund business.

The partnership will elect officers annually. Officer positions, responsibilities, and the date of the annual election will be specified in the Operating Procedures.

20. **No Compensation.** No partner shall be compensated for services rendered to the partnership, except reimbursement for expenses.
21. **Additional Partners.** Additional partners may be admitted upon the unanimous consent of the existing partners. The maximum allowable number of partners at any time will be limited to 20. However, the total number of members during a calendar year shall not require the filing of 100 or more K-1 forms for the that year.

Prior to attaining the status of active membership, a proposed new partner must meet all of the criteria outlined in the current version of the Fund's Operating Procedures and Criteria for Prospective New Members.

22. **Active Membership.** The initial date of a partner's active membership shall be set as the date of the meeting when the new partner signs the Partnership Agreement and makes their required contribution to the Fund. This meeting shall be no sooner than the meeting immediately following the date when all existing active members vote to accept the new partner. The initial date of the active membership shall be used to determine the partner's length of active membership. For instance, on the first-anniversary date (calendar date) of the partner's active membership date, the partner will have accrued one year of active membership and so forth. If a partner starts during the middle of the year, his/her returns calculation will be prorated using the start date of his/her active partnership.

23. **Ownership Restrictions.** Membership in the Fund may not be held by any of the following entity types:

- Partnerships
- Trusts
- Foreign entities
- Any disregarded entity described in IRS Regulations section 301.7701-2(c)(2)(i)
- A nominee or other similar person that holds an interest on behalf of another person
- An estate of an individual other than a deceased partner

24. **Removal of a Partner.** Any partner may be removed by agreement of the partners whose capital accounts total a majority of the value of all partners' capital accounts. Conditions for consideration of removal may include but are not limited to, failure to meet attendance requirements (specified in Operating Procedures), disclosing M<sup>3</sup> Trade secret /algorithm to others, developing/creating completing trading platform using M<sup>3</sup> algorithm and/or strategy, and using such to compete against M<sup>3</sup>, and unauthorized activity undertaken by a partner in the name of the partnership.

Written or email notice of a meeting where the removal of a partner is to be considered shall include a specific reference to this matter. Following a vote to remove, the removal shall become effective upon payment of the value of the removed partner's capital account. This shall be done in accordance with the provisions on the full withdrawal of a partner. The vote action shall be treated as the receipt of a request for withdrawal.

25. **Termination of Partnership.** The partnership may be terminated by the agreement of the partners whose capital accounts total a majority in value of the capital accounts of all the partners. Written notice of a meeting where termination of the partnership is to be considered shall include a specific reference to this matter. If a decision to terminate is reached, written or email notice of the decision shall be given to all the partners. Payment shall then be made of all the liabilities of the partnership and a final distribution of the remaining assets either in cash or in kind, shall promptly be made, pending outstanding transactions and a final accounting. Payment will be made to the partners or their personal representatives in proportion to each partner's capital account.

26. **Voluntary Withdrawal (Partial or Full) of a Partner.** Any partner may withdraw a part or all of the value of his capital account in the partnership and the partnership shall continue as a taxable entity.

The partner withdrawing a part or all of the value of his capital account shall give notice of such intention in writing or by email to the partnership officers. Written notice shall be deemed to be received as of the first meeting of the partnership at which it is presented. If written notice is received between meetings it will be treated as received at the first following meeting. Any partner withdrawing his/her initial \$100K investment will forfeit all of his/her ownership to the M<sup>3</sup> Investment Management Services LLC.

27. **Terms of Payment.** In making payment, the value of the partnership established on the Withdrawal Valuation Date will be used to determine the value of the partner's account.

The partnership shall pay the partner who is withdrawing the portion of his capital account requested subject to the following constraints in the case of a full withdrawal:

- A. For partners with less than one year of active membership, the withdrawing partner shall receive the lesser of the two following payout amounts:
  - a. Ninety-seven percent (97%) of the value of the capital account being withdrawn.
  - b. The value of the capital account being withdrawn, less any brokerage fees and any other costs incurred to liquidate the partner's account and/or transfer securities.
- B. For partners with greater than one year of active membership the partner shall receive the following pay-out amount:
  - a. The value of the capital account being withdrawn, less any brokerage fees and any other costs incurred to liquidate the partner's account and/or transfer securities.

In all cases of withdrawals (partial or full), payment must be made in cash with a check or wire transfer from the partnership bank account. As stocks will be held in the name of the partnership, under no circumstances stocks held in the partnership account be transferred to any participating partner or any other parties.

28. **Death or Incapacity of a Partner.** In the event of the death or incapacity of a partner, receipt of notice shall be treated as a request for a full withdrawal. Payment shall be in accordance with the terms for payment of a full withdrawal (Paragraph 27). It shall be made to the estate of the partner and delivered to the partner's last known address.

29. **Forbidden Acts:** No partner shall:

- a. 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 purpose.
- b. Assign, transfer, pledge, mortgage, or sell all or part of his interest in the partnership to any other partner or another 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.
- c. Purchase any investment other than the listed investment in the purpose section of this partnership
- d. Use the partnership name, credit, or property for other than partnership purposes.
- e. 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.
- f. Execute any manual trade except for the one decided during regular governance meetings.

30. **Recognition of Risks.** Every investment involves a certain element of risk. By signing this agreement, each partner states that he or she understands and accepts these risks, and understands that no returns are guaranteed. Partners further acknowledge that no statements or discussions made as part of the partnership's activities should be constructed as individual investment advice. Based on the results from the R&D period of the algorithm development, it has been shown that the M<sup>3</sup> algorithm performs best when it is left to run on its own, with no manual interventions. *So, the biggest risk for this partnership is members intervening with the automated trading platform.* Partners must ensure all trade executions are reviewed on a regular basis to confirm all trades are executed by the program, except for the ones decided during review meetings.
31. **Amendment of Partnership Agreement.** This agreement of Partnership may be amended from time to time upon approval of all the partners whose capital accounts total at least two-thirds of the value of all the capital accounts. Written or email notice of the meeting where an amendment of the partnership agreement is to be considered shall include a specific reference and brief description of the matter to be discussed.
32. **Additional Provisions.**
- A. This partnership agreement incorporates the M<sup>3</sup> Investment Pioneers Fund Operating Procedures, a copy of which is attached hereto, and which the partners acknowledge having received and understood.
  - B. This Agreement of Partnership shall be binding upon the respective heirs, executors, administrators, and personal representatives of the partners.
33. The partners have caused this Agreement of Partnership to be executed on the dates indicated below, effective as of the date indicated above. The signatories have received current copies of the provisions of this agreement and the Operating Procedures. Their signature on one or separate copies of this page shall show their understanding and affirmation of them.

**Partners (GP – General Partner, LP – Limited Partner)**

Partner Name/ Address	Signature	Partner Type	Date
Bashir Ahmed		GP	
Partner 2		LP	
Partner 3		LP	
Partner 4		LP	
Partner 5		LP	
Partner 6		LP	
Partner 7		LP	
Partner 8		LP	
Partner 9		LP	
Partner 10		LP	
Partner 11		LP	
Partner 12		LP	
Partner 13		LP	
Partner 14		LP	
Partner 15		LP	
Partner 16		LP	
Partner 17		LP	
Partner 18		LP	
Partner 19		LP	
Partner 20		LP	