Jaburg & Wilk, P.C.
3200 N. Central Avenue, 20th Floor
Phoenix, AZ 85012
602.248.1000

Roger L. Cohen (004409)
rlc@jaburgwilk.com
Kathi Mann Sandweiss (011078)
kms@jaburgwilk.com

Attorneys for Plaintiffs

JABURG | WILK Attorneys at Law

Superior Court of Arizona

Maricopa County

Alfredo J. Molina, an individual; James B. Weber, an individual; Carlise Investments, LLC, a Colorado limited liability company, Plaintiffs, v. AZPB Limited Partnership, a Delaware limited partnership; AZDB I, LLC, a Delaware limited liability company; Earl G. "Ken" Kendrick Jr. and Randy Kendrick, husband and wife; Does 1 – 10 and XYZ Companies 1 - 10, Defendants.	CV2020-004208 **Complaint**

Plaintiffs allege:

Parties and Jurisdiction

1. Plaintiff Alfredo J. Molina ("Molina") is an individual and a resident of Maricopa County, Arizona.

2. Plaintiff James B. Weber ("Weber") is an individual and a resident of Maricopa County, Arizona.

3. Plaintiff Carlise Investments, LLC ("Carlise LLC") is a limited liability company duly formed and existing under the laws of Colorado

4. Defendant AZPB Limited Partnership (the "Partnership") is a Delaware limited partnership, registered to do business in Arizona, and the owner of the National League baseball team the Arizona Diamondbacks (the "Team").

5. Defendant AZDB I, LLC ("AZDB I") is the general partner of the Partnership, and is a Delaware limited liability company, registered to do business in Arizona.

6. Defendants Earl G. (Ken) Kendrick Jr. ("Kendrick") and Randy Kendrick are husband and wife and residents of Maricopa County, Arizona.

7. Based on the Partnership's partnership documents, including the Fourth Amended and Restated Agreement of Limited Partnership, Kendrick is the President of AZDB Baseball II corporation, a Delaware corporation, which is the manager of AZDB I and the general partner of AZDB Baseball, L.P., a Delaware limited partnership.

8. Kendrick holds himself out, and is described, in public, including on a Wikipedia page, as "the principal owner" and the "managing general partner" of the Team.

9. Kendrick holds himself out in written communications to Plaintiffs and on the Team biography as the "managing general partner" of the Team.

10. The contracts out of which Plaintiffs' claims arose were formed and to be performed in Maricopa County, Arizona. Each of Defendants has caused an event to occur in Maricopa County, Arizona out of which Plaintiffs' claims arose, and all of the transactions out of which Plaintiffs' claims arose occurred in Maricopa County, Arizona.

11. All acts of any Defendant alleged in this Complaint were performed on the acting Defendant's own behalf, and on behalf of each and every other Defendant as an affiliate, parent company, sister company, co-venturer, or agent acting within the scope of its authority, actual or apparent, or as an alter ego of each other.

12. Defendants Does 1 – 10 and XYZ Companies 1 - 10 are individuals, corporations, limited liability companies and other entities, whose true names and identities are not known to Plaintiffs, who are liable, jointly and severally with the named Defendants, for the transactions, agreements, acts and omissions alleged in this Complaint, as joint tortfeasors, co-conspirators, alter egos or otherwise.

13. Based upon the amount of damages sought and other factors enumerated in Rule 26.1, Ariz.R.Civ.P., this case is properly assigned to Discovery Tier 3.

14. Jurisdiction and venue are proper in this Court.

Plaintiffs Are Investors, and Also Supporters and Ardent Diamondbacks Fans.

15. Molina is an internationally recognized jeweler, gemological expert, and the Chairman and CEO of Molina Fine Jewelers. He is a qualified appraiser for the Internal Revenue Service, and an alumnus of FBI Citizens Academy. Molina serves as Honorary Consul of the Kingdom of Spain to Arizona, and as Chairman of the Consular Corps of Arizona; he is the founder and founding commanding officer of the Advisory Posse in Maricopa County. Molina has donated time and resources to more than 300 charities. Twice asked to help the Team with cash flow, Molina did so as an investor and a Diamondbacks fan.

16. Molina in addition is an avid fan of the Diamondbacks; he purchased licenses to four front-row seats in the Owners' Section, at a cost of $25,000.00 per seat, and in addition, in conjunction with a ticket partner, Donald Tapia, the current U.S. ambassador to Jamaica, annually pays for tickets for the licensed seats, at a total cost (for 2020) of $62,320.00 (or $15,580.00 per seat.)

17. Weber was drafted by the Chicago Cubs, in the 1975 amateur draft, and played as a relief pitcher for the Gulf Coast League Cubs in 1975 and the Portland Mavericks in 1976. He is the President and CEO of ProCuro LLC/BCRx Inc. Weber is

an ardent fan of baseball and, specifically, of the Diamondbacks, following the team on road trips and attending over one hundred games each year. Weber purchased his share of the Team from former Diamondbacks third baseman Matt Williams ("Williams").

18. Weber holds four season tickets dating back to the Diamondbacks' inaugural season. For 2019, the cost of each season ticket was $7,885.00, for a total ticket cost of $31,540.00.

19. The principal of Carlise LLC, Charles Carlise ("Carlise") has been an investor in, and owner of, the Diamondbacks since the Team's inaugural season in 1998.

Franchise Ownership History

20. In the early stages of the Diamondbacks' history, the Team was owned by a Limited Partnership (the "Original Partnership"), the owners of which comprised largely of (a) business entities, such as America West Airlines and Phoenix Newspapers, Inc., and (2) ownership groups made up of the owners of limited liability companies or other entities, which in turn held General or Limited Partnership interests in the Team.

21. The Arizona Diamondbacks Limited Partnership (the "2002 Diamondbacks Partnership") was formed in Delaware on February 19, 2002.

22. Upon information and belief, the 2002 Diamondbacks Partnership is the successor in interest of the Original Partnership.

23. The initial general partner of the 2002 Diamondbacks Partnership was AZPB Team Limited Liability Company (the "Initial General Partner"), an Arizona limited liability company; the initial limited partner was AZDB Baseball, L.P. ("AZDB"), a Delaware limited partnership.

24. The Initial General Partner and AZDB were parties to an Agreement of Limited partnership dated February 19, 2002 (the "2002 Limited Partnership Agreement").

25. On February 26, 2002, the 2002 Diamondbacks Partnership and Defendant AZPB Limited Partnership entered into an Agreement and Plan of Merger pursuant to which AZPB Limited Partnership merged with and into the Partnership with the Partnership as the surviving limited partnership (the "AZPB Merger").

26. After the AZPB Merger, Arizona Diamondbacks Limited Partnership, as the surviving limited partnership, changed its name to AZPB Limited Partnership.

27. As a result of the AZPB Merger, AZPB I, Inc., an Arizona corporation ("AZPB I") became the successor general partner of the Partnership.

28. On March 1, 2004, the Successor General Partner transferred its entire General Partner Partnership interest in the Partnership to AZDB I, and AZDB I became the new general partner of the Partnership (the "New General Partner").

29. Ownership of the Partnership is divided into Units ("Units"), each of which represents the rights of a Limited Partner or Unit Holder in the Partnership pursuant to the Delaware Limited Partnership Act and the Partnership Agreement.

Carlise Has Been an Owner of the Diamondbacks Virtually Since the Team's Inception and Did Not Voluntarily Acquire a Less than 1% Interest

30. In 1998, Carlise acquired an ownership interest in the Team through his ownership interest in Lynch Baseball, L.L.C., ("Lynch Baseball"), which was a Limited Partner of the Team.

31. The ownership interest held by Lynch Baseball exceeded 1%, and upon information and belief, Carlise's indirect ownership of the Team exceeded 1%.

32. Upon information and belief, the Limited Partner interest of Lynch Baseball was thereafter converted to Units of the Partnership.

33. In or about 2014, Kendrick issued a directive requiring that ownership group entities holding Units be dissolved, with Units held by the entities distributed to the individual owners; consistent with that directive, Lynch Baseball was dissolved, effective December 31, 2014, and the Units previously owned by Lynch Baseball and, upon information and belief, other entity Limited Partners, were distributed to the individual owners of the respective ownership entities, including Carlise LLC or its predecessor.

34. Upon information and belief, at the time of the foregoing distribution, based upon subsequent offerings and investments initiated by the Team, but without any affirmative action on the part of Carlise or Carlise LLC, the ownership interest of Carlise LLC had been diluted to less than 1%.

Weber's Predecessor-in-Interest and Molina Made Investments in 2004 and 2009 When the Team Needed Cash

35. Upon information and belief, during the period 1998 through 2003, the Team sustained operating losses of approximately $335 million; as a result, in part, of those losses, for each of 2003 and 2004, the Team's auditing firm issued a "going concern" letter, expressing the firm's doubts about the company's financial health and ability to remain in business as a going concern.

36. To avoid bankruptcy and to enable the Team to remain in business, the Team thereafter initiated and carried out a series of offerings to bring new money into the Partnership.

37. On March 1, 2004, the New General Partner offered deferred equity rights (the "Deferred Equity Rights") for sale pursuant to Section 3.3.3 of the First Amended

and Restated Agreement of Limited Partnership dated March 1, 2004 and the terms and conditions of the Confidential Private Placement Memorandum dated March 1, 2004.

38. As set forth in the Confidential Private Placement Memorandum, the Deferred Equity Rights were convertible into additional Units of the Partnership approximately 10 years from the close of the private placement of the Deferred Equity Rights.

39. Section 3.2.2 of the First Amended and Restated Agreement of Limited Partnership granted AZDB the right to request the reimbursement of all or a portion of the $14 million additional capital contribution that AZDB made to the Partnership on March 1, 2004 if the Partnership had not received subscriptions for at least $50 million of Deferred Equity Rights (the "Minimum Target") by June 1, 2004.

40. The Partnership did not receive the Minimum Target of Deferred Equity Rights by June 1, 2004; however, AZDB agreed not to exercise its rescission right and to extend the deadline for the Partnership to receive the Minimum Target to July 1, 2004.

41. The General Partner, to achieve the Minimum Target by July 1, 2004, amended the terms and conditions of the Deferred Equity Rights offering to provide purchasers with the right to elect to convert their Deferred Equity Rights into additional Units of the Partnership ("DER Units") either upon purchase or ten years from the close of the private placement of the Deferred Equity Rights.

42. As a result and by virtue of the Minimum Target, as set forth in Section 3.2.2 of the First Amended and Restated Agreement of Limited Partnership, and the General Partner's stated goal and desire to achieve the Minimum Target, the Partnership sought investments from wealthy investors, including Molina and Williams.

43. On April 1, 2004, the Partnership and Plaintiffs entered into a Deferred Equity Rights Agreement, as amended by the First Amendment on the same date (the

"DER Agreement"), whereby the Partnership agreed to issue up to $99 million in deferred equity rights (the "Amended Deferred Equity Rights"), which allow the purchasers to convert such Rights into limited partnership interests in the Partnership.

44. The DER Agreement recites that the Amended Deferred Equity Rights would be sold in denominations (each a "2004 Rights Unit") of either (a) $3 million per Rights Unit due in ten annual payments of $300,000.00, or (b) $2.7 million per Rights Unit payable in full at the time of purchase.

45. The DER Agreement defines "Eligible Purchaser" as any person "who meets the requirements of MLB and has received an MLB Consent with respect to such person's ownership or acquisition of a Rights Unit and a Partnership Unit."

46. In 2004, Molina became a DER Limited Partner in the Partnership; Molina invested $3 million in exchange for 40,919 2004 Rights Units equivalent to a one-half percent interest in the Partnership (the "Molina 2004 Investment Agreement"); on information and belief, Williams likewise invested $3 million in exchange for an interest in the DER Agreement equivalent to a one-half percent interest in the Partnership (the "Williams 2004 Investment Agreement").

47. Weber thereafter invested $1.5 million, purchasing from Williams 20,459 2004 Rights Units equivalent to an approximate one-fourth percent interest in the Partnership.

48. The First Amended and Restated Agreement of Limited Partnership, as amended, was amended and restated in its entirety on July 1, 2008 (the "Second Amended and Restated Agreement of Limited Partnership").

49. On April 24, 2009, the General Partner offered up to $50 million in additional Units of the Partnership (the "2009 Units") for sale pursuant to Section 3.3.3 of the Second Amended and Restated Agreement of Limited Partnership and the terms

and conditions of the Confidential Private Placement Memorandum dated April 24, 2009.

50. To reflect the offering and issuance of the 2009 Units, the Second Amended and Restated Agreement of Limited Partnership was amended and restated in its entirety on July 1, 2009 (the "Third Amended and Restated Agreement of Limited Partnership").

51. The express and explicit reason the Partnership offered the 2009 Units were the Team's immediate need for cash and the desire to avoid a capital call.

52. As in 2004, the Partnership sought investments from wealthy investors, including Molina.

53. In 2009, Molina agreed to purchase 10,230 2009 Units, pledging a total of an additional $250,000.00, payable at the rate of $51,050.00/year for five years (collectively, with the Molina 2004 Investment Agreement and the Williams 2004 Investment Agreement, the "Investment Agreements").

54. By 2014, Molina had paid in full for the 2009 Units.

55. The Third Amended and Restated Agreement of Limited Partnership, as amended, was amended and restated in its entirety on January 1, 2014 (the "Fourth Amended and Restated Agreement of Limited Partnership").

56. With respect to the DER Units, the Fourth Amended and Restated Agreement of Limited Partnership provides, in applicable part,

A. "Deferred Equity Rights Percentage" means the percentage determined, from time to time, by multiplying (a) the number of Deferred Equity Rights converted to DER Units by each DER Limited Partner by (b) 0.3844%;

B. "DER Limited Partner" means those persons who acquire a Partnership Interest as a result of the conversion of Deferred Equity Rights to DER Units;

C. For voting purposes, DER Limited Partners are to be treated as Existing Limited Partners upon conversion of their Deferred Equity Rights to DER Units;

D. Distributions are to be made to the DER Limited Partners, including, without limitation,

i) Profits and losses for any taxable year are allocated among the partners, in order of priority as set forth therein, including to the aggregate Deferred Equity Rights Percentage to the DER Limited Partners;

ii) Net Cash from Operations, with reductions as described therein, are distributed quarterly, in order of priority as set forth therein, including to the aggregate Deferred Equity Rights Percentage to the DER Limited Partners; and

iii) Net Cash from Sales or Refinancing, are distributed "as soon as reasonably possible following such sale or refinancing" in order of priority as set forth therein, including to the aggregate Deferred Equity Rights Percentage to the DER Limited Partners.

57. Molina and Weber are designated as DER Limited Partners on Exhibit A to the Fourth Amended and Restated Agreement of Limited Partnership.

58. With respect to the 2009 Units, the Fourth Amended and Restated Agreement of Limited Partnership provides, in applicable part,

A. "2009 Unit Holders" means those persons who own one or more 2009 Units, and are designated as a 2009 Unit Holder on Exhibit A thereto;

B. "2009 Units Percentage" means 23.12%;

C. Distributions are to be made to the 2009 Unit Holders, including, without limitation,

i) Profits and losses for any taxable year are allocated among the partners, in order of priority as set forth therein, including to the 2009 Units Percentage to the 2009 Unit Holders;

ii) Net Cash from Operations, with reductions as described therein, are distributed quarterly, in order of priority as set forth therein, including to the 2009 Units Percentage to the 2009 Unit Holders; and

iii) Net Cash from Sales or Refinancing, are distributed "as soon as reasonably possible following such sale or refinancing" in order of priority as set forth therein, including to the 2009 Units Percentage to the 2009 Unit Holders.

59. Molina is designated one of four 2009 Unit Holders on Exhibit A to the Fourth Amended and Restated Agreement of Limited Partnership.

Broadcast Rights – AZ Baseball Holdings, LLC

60. In or about October 2015, the Team entered into a lucrative transaction with Fox Sports Net Arizona ("FSAZ") involving the Team's broadcast rights. According to a letter dated October 8, 2015 from Kendrick on behalf of the Partnership, the essential components of the transactions were (a) "a long-term television rights fee agreement between the Team and [FSAZ] [which] will provide substantial cash payments to the Team for many years" and (b) an opportunity granted to each Limited Partner to participate pro rata in the acquisition of a collective 30% limited partnership interest in FSAZ], which was "being offered to each and every partner of the Team, pro rata in accordance with each partner's ownership interest in the Team" (the "Fox Acquisition").

61. The specific structure of the Fox Acquisition, according to Kendrick, was as follows:

> AZ Baseball Media, LP ("Media Co.") has been formed to hold the 30% interest in Fox; in turn, the owners of the Team who participate in this offering will (effectively) own

Media Co. (Technically, the Team's partners will acquire interests in AZ Baseball Broadcast Holdings, LP, which in turn will own 99.9% of Media Co.)

62. In order to participate in the Fox Acquisition, each Limited Partner was required to make a pro rata contribution towards the Teams' legal, accounting and consulting fees in the transaction.

63. Each of Molina, Weber, and Carlise LLC agreed to, and did, participate in the Fox Acquisition, becoming a limited partner in AZ Baseball Broadcast Holdings, LP (the "Broadcast Entity").

64. According to letter from the Team dated June 5, 2019, in or about May 2019, upon exercise by the Broadcast Entity of a Put option granted in connection with the Fox Acquisition, the Broadcast Entity's 30% interest in FSAZ was sold to FSAZ for $168 million, of which $20 million, or approximately 17.8%, was distributed pro rata to the owners of the Broadcast Entity, including Plaintiffs; the remainder of the proceeds, together with an additional $30 million of funds already on the Broadcast Entity was transferred to the Partnership, and additional Units in the Partnership ("FSAZ Units") were issued to the owners of the Broadcast Entity, including Plaintiffs, to reflect their pro rata interest in the contributed funds.

65. On information and belief, as a result of the foregoing transactions, 13,425.685 FSAZ Units were issued to Molina, 5,301.33 FSAZ Units were issued to Weber, and 4,880.755 FSAZ Units were issued to Carlise LLC.

Plaintiffs' Ownership Status

66. As of January 13, 2020, Molina, by virtue of his acquisition of 2004 Rights Units, 2009 Units and FSAZ Units, owned an aggregate of 64,574.685 Units of the Partnership; Weber, by virtue of his acquisition of 2004 Rights Units and FSAZ Units, owned an aggregate of 25,760.333 Units of the Partnership; and Carlise LLC, by

virtue of its receipt of Units distributed by Lynch Baseball, as well as FSAZ Units, owned 23,716.667 Units of the Partnership.

Rights and Obligations of the Partnership and Limited Partners

67. Section 8.7 of the Fourth Amended and Restated Agreement of Limited Partnership (and, upon information and belief the same provision of the Fifth Amended and Restated Partnership Agreement) (collectively, the "Amended Partnership Agreement") recites that the Partnership has the right, but not the obligation to redeem the interest of a Limited Partner or Unit Holder upon a determination that "the Limited Partner or Unit Holder is not an Eligible Holder."

68. The term "Eligible Holder" is defined in § 1.1.49 of the Amended Partnership Agreement as "any Person who meets the requirements of MLB and has received all necessary MLB Approvals with respect to such Person's ownership or acquisition of Units regardless of its ownership interest." The term "MLB Approval" is defined in § 1.1.90 as including "any approval, consent or no-objection letter . . . required with respect to the acquisition or ownership by . . . a Limited Partner [or] a Unit Holder . . . which shall be obtained and delivered to the Partnership prior to the acquisition of a Partnership Interest or a Unit, or the Transfer of record of any Units, Partnership Interest, or rights therein to any Person."

69. Each of Plaintiffs is, and at all times relevant has been, an Eligible Holder as so defined.

70. Section 4.5(a) of the Partnership Agreement states that "The General Partner, without the prior approval of the Limited Partners required in accordance with the provisions of Article 11 and any required MLB Approvals, shall not cause the Partnership to . . . Merge or consolidate with any other limited partnership or other entity, unless the Partnership is the surviving entity."

71. Section 8.7.2 of the Partnership Agreement sets forth, in general terms, the formula and procedure for determining the applicable redemption price.

72. Section 8.7.2 contains no procedure for objecting to the Partnership's valuation.

73. Section 8.2.4(d) provides that in the event of a sale of the Partnership or the Team, the Minority Partners who have converted their investments to an equity position have a right to share pro rata in the proceeds of sale under the exercise of AZDB Drag-Along Rights.

74. Section 10.2.2 provides that in the event of dissolution of the Partnership, partnership assets shall be liquidated and the proceeds applied and distributed in the priority set forth therein, with distributions to Partners and Unit Holders in accordance with their capital accounts.

75. Section 6.2 provides that the General Partner shall keep or cause to be kept, full and complete books and accounts of all business transactions arising out of and in connection with the conduct of the business of the Partnership and that any Limited Partner shall have the right at any reasonable time to have access to and inspect and copy the contents of the Partnership's books and records.

The So-Called "Buy-Up/Buy-Out" Demand and Defendants' Efforts and Threats to Freeze-Out Plaintiffs from the Partnership

76. On January 13, 2020, Kendrick, as managing general partner, wrote each of Plaintiffs, and others, a letter entitled "Buy-Up/Buy-Out" (the "Buy-Up/Buy-Out Letter") whereby Kendrick unilaterally adopted a proposal to require each partner to own at least 1% of the Partnership.

77. Kendrick claimed that Major League Baseball (MLB) had expressed its preference that the Team "streamline its ownership group and minimize the disproportionate number of owners with very small equity stakes," and further claimed

that "[v]ery recently, MLB again expressed its desire for the Team to have an ownership group comprised predominantly of members who have a meaningful equity position in order to promote efficient Club governance and to assure financial stability."

78. Kendrick further stated that "in response" to the foregoing communications, the General Partner of the Team [i.e., Kendrick] "has adopted a proposal to require each partner of the Team to own at least 1% (other than members of Team management)."

79. In fact, the proposal was not implemented in response to an expression of policy from Major League Baseball; to the contrary, Major League Baseball was requested to consent to a proposal initiated by Kendrick and the Team for purposes unrelated to those set forth in the Buy-Up/Buy-Out Letter.

80. Among other things, the elimination of minority Limited Partners holding less than 1% interests will have no effect on financial stability; nor is such elimination necessary to promote efficient governance, given that (a) the Team historically has been governed and operated by unilateral action of the General Partner, and without input from the Limited Partners, and (b) it is fully anticipated that this pattern will continue, given that Kendrick controls, or is reputed to control, 90% of the Limited Partners.

81. Kendrick further stated in the Buy-Up/Buy-Out Letter that the foregoing proposal was to be implemented through a "a merger of the Team into a to-be-formed Delaware limited partnership."

82. Upon inquiry, the minority limited partners were advised that the authority for the Partnership's demand was Sections 8.7 and 8.7.2 of the Amended Partnership Agreement, suggesting that Plaintiffs, while previously approved for ownership by MLB and the Team, were no longer "Eligible Holders."

83. Kendrick asserted in the Buy-Up/Buy-Out Letter that the Team had retained Bases Loaded Consulting, LLC to appraise the value of Units owned by a 1%

limited partner in the Team and that the purported appraisal report valued the units of a 1% limited partner at $60/unit.

84. Kendrick advised Molina that "based upon the number of units that you currently own, your dollar outlay to increase your ownership percentage to 1% will be approximately $3,810,000.00."

85. Kendrick further advised Molina that if he did not elect to increase his ownership percentage his "entire ownership interest" would purportedly "be bought out by the Team for $3,874,481.00."

86. Kendrick advised Weber that "based upon the number of units that you currently own, your dollar outlay to increase your ownership percentage to 1% will be approximately $6,120,000."

87. Kendrick further advised Weber that if he did not elect to increase his ownership percentage his "entire ownership interest" would purportedly "be bought out by the Team for $1,545,644."

88. Kendrick on multiple occasions shortly after the issuance of the Buy-Up/Buy-Out letter, including without limitation in a telephone conversation with a non-plaintiff minority limited partner, represented that a Limited Partner/Unit Holder, after receiving payment, would have the right to "petition the [Partnership] that they did not get a fair price for their units," in which event a second valuation firm will be hired at the expense of the dissenting partner/partners and, if the second firm comes up with a different value, "the two valuation firms will meet to compare the differences."

89. Defendants' counsel thereafter advised Plaintiffs that Kendrick had "misspoken" and that a second valuation would not be permitted, regardless of any disagreement over the value or purchase price of Units.

90. On information and belief, the valuation reflected in the Bases Loaded appraisal is artificially low in that, among other things, it (a) does not take into

consideration the Team's expectation of increased revenues from, among other things, legalized gambling, and (b) utilizes unfair and inappropriate discounts.

91. The Units owned by Plaintiffs are worth significantly more than the $60/unit valuation set forth in the Bases Loaded appraisal and the Buy-Up/Buy-Out Letter.

92. By letter dated February 13, 2020 (the "Buy-Out Letter"), the Partnership advised Plaintiffs that, because it had not received back a purported "election form," "you have been deemed to have elected not to acquire additional units" and that "by not acquiring additional units, your entire ownership interest will be bought out by the Team at a purchase price of $60/Unit."

93. The Buy-Out Letter purported to declare that "as of February 12, 2020, you are no longer a limited partner."

94. The Buy-Out Letter claimed that "for cost savings and efficiency purposes," instead of a merger, it would "use a simple required redemption approach" and attached an Assignment and Assumption of Limited Partnership Units and MLB Form A-2.

95. By letter dated February 13, 2020 (the "No Effect Letter"), Plaintiffs notified the Partnership that the Buy-Up/Buy-Out Letter is of no force or effect and is ineffective to diminish or in any way affect the rights of Plaintiffs as Limited Partners and/or Unit Holders.

96. Further by the No Effect Letter, Plaintiffs demanded that the Partnership provide them all documents supporting or pertaining to the transactions described in the Buy-Up/Buy-Out Letter, including without limitation (1) all correspondence or other documents, including any letters or other communications from MLB, evidencing or supporting the purported conclusion that Plaintiffs clients have ceased to be Eligible Holders as defined in the Amended Partnership Agreement, (2) organizational

documents, including Limited Partnership Agreement and Certificate of Partnership, of the "to-be-formed" limited partnership referred to in the Buy-Up/Buy-Out letter, (3) all articles of merger, merger agreements and other documents evidencing or pertaining to the proposed merger, and (4) the complete file of Bases Loaded Consulting, including without limitation the final valuation report and all work papers, supporting materials and emails and other communications with representatives of the Partnership.

97. In a conversation on February 13, 2020, counsel for Defendants stated that no documents would be provided and that, while Defendants had elected to proceed by way of the Buy-Up/Buy-Out Demand, Defendants retained the right to terminate Plaintiffs' interests in the Partnership and the Team through the mechanism of a "freeze-out" merger under Delaware law.

Potential New Sources of Revenue

98. Plaintiffs are informed and believed that, contemporaneously with their efforts to remove Plaintiffs from the Partnership, Defendants have been actively engaged in pursuing new sources of revenue for the Partnership, including specifically proceeds of legalized gambling operations, which will significantly increase the value of the Partnership and the Team, to the benefit of Defendants.

COUNT ONE
(Declaratory Judgment)

99. Plaintiffs reallege all other allegations in this Complaint.

100. Plaintiffs are entitled, by virtue of their investments, conversion to equity positions, and Investments Agreements, as well as the Amended Partnership Agreement, to (1) continue to be limited partners in the Team, (2) share pro rata in the proceeds of sale of the Partnership or the Team, (3) hold their interests for future appreciation and sale, (4) hold their interests for distributions, profits and future anticipated profits, (5) participate in future appreciation and sale, (6) participate in

distributions, profits and future anticipated profits, and (7) receive and exercise any and all other rights as investors, Limited Partners and Eligible Holders.

101. Further by virtue of their investments, conversion to equity positions, and Investments Agreements, as well as the Amended Partnership Agreement, Plaintiffs had no expectation or any obligation to (1) increase their financial commitment to the Team, (2) be required to accept a discounted buyout, or (3) be deprived of the essential benefits of ownership.

102. No event has occurred by virtue of which Defendants are entitled to force Plaintiffs to make the "Buy-Up/Buy-Out" election purported to be required by the Buy-Up/Buy-Out Letter; without limiting the foregoing, Plaintiffs have not ceased to be Eligible Holders and, to the contrary, continue to be fully qualified and eligible to hold their interest in the Partnership.

103. Defendants have denied Plaintiffs' rights in their investments, the Investment Agreements and the Amended Partnership Agreement, and have otherwise acted in derogation of Plaintiffs' rights, by, among other things, (a) purporting to require Plaintiffs to make the election set forth in the Buy-Up/Buy-Out Letter and (b) declaring in the Buy-Out Letter that "as of February 12, 2020, you are no longer a limited partner."

104. Defendants have denied Plaintiffs' rights in their investments, the Investment Agreements and the Amended Partnership Agreement by, among other things, purporting to terminate Plaintiffs' status as limited partners, thereby depriving them of their rights to (1) share pro rata in the proceeds of sale of the Partnership or the Team, (2) hold their interests for future appreciation and sale, (3) hold their interests for distributions, profits and future anticipated profits, (4) participate in future appreciation and sale, (5) participate in distributions, profits and future anticipated profits, and (6) exercise any and all other rights as investors, Limited Partners and Eligible Holders.

105. Defendants have further denied Plaintiffs' rights in their investments, the Investment Agreements and the Amended Partnership Agreement by, among other things, purporting to require Plaintiffs to (1) increase their financial commitment to the Team, (2) accept a discounted buyout, or (3) be deprived of the essential benefits of ownership.

106. Defendants' acts as described above are of no force or effect to terminate or otherwise diminish Plaintiffs' continuing rights and status as Limited Partners or Unit Holders.

107. An actual and justiciable controversy has therefore arisen and exists between Plaintiffs and Defendants with respect to their respective rights, interests and obligations under the Investment Agreements and the Amended Partnership Agreement.

108. Plaintiffs are entitled to taxable costs, and to attorney fees under A.R.S. § 12-341.01.

WHEREFORE, Plaintiffs request judgment against Defendants, jointly and severally, as follows:

A. Declaring that the Buy-Up/Buy-Out Letter is of no force or effect and is ineffective to diminish or in any way affect Plaintiffs' rights as Limited Partners or Unit Holders;

B. Declaring that the Buy-Out Letter is of no force or effect and is ineffective to diminish or in any way affect Plaintiffs' rights as Limited Partners or Unit Holders;

C. Declaring that Plaintiffs continue to be Limited Partners, with all rights of Limited Partners;

D. Declaring that Plaintiffs are entitled to, and directing that Defendants recognize and provide to Plaintiffs (1) Plaintiffs' pro rata share of the proceeds of sale of the Partnership or the Team, (2) the continuing right to (a) hold their

interests for future appreciation and sale, (b) hold their interests for distributions, profits and future anticipated profits, (c) participate in future appreciation and sale, (d) participate in distributions, profits and future anticipated profits, and (3) any and all other rights as investors, Limited Partners and Eligible Holders;

E. Declaring that Plaintiffs have no obligation to, and Defendants are ordered to not require that Plaintiffs (1) increase their financial commitment to the Team, (2) accept a discounted buyout, or (3) be deprived of the essential benefits of ownership, including without limitation, (a) their pro rata share of the proceeds of sale of the Partnership or the Team, (b) the continuing right to hold their interests for future appreciation and sale, (c) the continuing right to hold their interests for distributions, profits and future anticipated profits, (d) participate in future appreciation and sale, (e) participate in distributions, profits and future anticipated profits, and (f) any and all other rights as investors, Limited Partners and Eligible Holders;

F. For costs and attorney fees, together with interest at the highest legal rate from the date of judgment until paid in full; and

G. For such other and further relief as is proper and just.

COUNT TWO
(Breach of Contract)

109. Plaintiffs reallege all other allegations in this Complaint.

110. Plaintiffs performed their obligations in accordance with their investments, the Investment Agreements and the Amended Partnership Agreement by, among other things, providing consideration, and conferring benefits, to Defendants as set forth above.

111. Defendants breached and repudiated the terms and conditions of Plaintiffs' investments, the Investment Agreements and the Amended Partnership

Agreement by, among other things, (a) purporting to require Plaintiffs to make the election set forth in the Buy-Up/Buy-Out Letter and (b) declaring in the Buy-Out Letter that "as of February 12, 2020, you are no longer a limited partner."

112. Defendants further breached and repudiated, and are continuing to breach and repudiate, the terms and conditions of Plaintiffs' investments, the Investment Agreements and the Amended Partnership Agreement by, among other things, their actual and intended acts and omissions in depriving Plaintiffs of their rights to (1) share pro rata in the proceeds of sale of the Partnership or the Team, (2) hold their interests for future appreciation and sale, (3) hold their interests for distributions, profits and future anticipated profits, (4) participate in future appreciation and sale, (5) participate in distributions, profits and future anticipated profits, and (6) exercise any and all other rights as investors, Limited Partners and Eligible Holders.

113. Defendants have further breached and repudiated the terms and conditions of Plaintiffs' investments, the Investment Agreements and the Amended Partnership Agreement by purporting to require them to (1) increase their financial commitment to the Team, (2) accept a discounted buyout, or (3) be deprived of the essential benefits of ownership.

114. Defendants have further breached and repudiated the Investment Agreements and the Amended Partnership Agreement by denying or threatening to deny Plaintiffs distributions to which they are entitled as DER Limited Partners, including, without limitation, (1) Profits and losses for any taxable year allocated among the partners, in order of priority as set forth therein, including the aggregate Deferred Equity Rights Percentage to the DER Limited Partners; (2) Net Cash from Operations, with reductions as described therein, distributed quarterly, in order of priority as set forth therein, including the aggregate Deferred Equity Rights Percentage to the DER Limited Partners; and (3) Net Cash from Sales or Refinancing, distributed "as soon as

reasonably possible following such sale or refinancing" in order of priority as set forth therein, including the aggregate Deferred Equity Rights Percentage to the DER Limited Partners.

115. Defendants have further breached and repudiated the Investment Agreements and Amended Partnership Agreement by denying or threatening to deny Molina's distributions to which he is entitled as a 2009 Unit Holder, including, without limitation, (1) profits and losses for any taxable year allocated among the partners, in order of priority as set forth therein, including to the 2009 Units Percentage to the 2009 Unit Holders; (2) Net Cash from Operations, with reductions as described therein, distributed quarterly, in order of priority as set forth therein, including to the 2009 Units Percentage to the 2009 Unit Holders; and (3) Net Cash from Sales or Refinancing, distributed "as soon as reasonably possible following such sale or refinancing" in order of priority as set forth therein, including to the 2009 Units Percentage to the 2009 Unit Holders.

116. Defendants have further breached and repudiated the Amended Partnership Agreement by violating Sections 1.1.49, 4.5(a), 8.7.2, 8.2.4(d), 10.2.2, and 6.2.

117. As a direct and foreseeable result of Defendants' breaches and repudiations of Plaintiffs' investments, the Investment Agreements and the Amended Partnership Agreement, Plaintiffs have suffered, and continue to suffer, damages in the form of loss of funds, loss of distributions, loss of interest income, loss of investment value, loss of profit and otherwise, the full nature and extent of which have not yet been fully determined.

118. Plaintiffs are entitled to taxable costs, and to attorney fees under A.R.S. § 12-341.01.

119. The principal amount is wholly or partially liquidated. Under A.R.S. § 44-1201, Plaintiffs are entitled to interest on the foregoing amount at the highest legal rate from the date due until paid in full.

WHEREFORE, Plaintiffs request judgment against Defendants, jointly and severally, as follows:

A. For damages in an amount to be proved at trial;

B. For pre-judgment and post-judgment interest at the highest legal rate;

C. For costs and attorney fees, together with interest at the highest legal rate from the date of judgment until paid in full; and

D. For such other and further relief as is proper and just.

COUNT THREE
(Breach of Implied Covenant of Good Faith and Fair Dealing)

120. Plaintiffs reallege all other allegations in this Complaint.

121. The Investment Agreements and the Amended Partnership Agreement contain, as an essential term, an implied covenant of good faith and fair dealing, whereby each of the parties is obligated to act fairly and in good faith and to refrain from any acts to deny the other parties the benefits of their bargain.

122. The intended purpose and intent of the Investment Agreements and the Amended Partnership Agreement is to provide the Team with needed cash infusions and to provide Plaintiffs, as the benefits of their bargain, continuing rights and benefits of ownership, including without limitation the rights to (1) share pro rata in the proceeds of sale of the Partnership or the Team, (2) hold their interests for future appreciation and sale, (3) hold their interests for distributions, profits and future anticipated profits, (4) participate in future appreciation and sale, (5) participate in distributions, profits and

future anticipated profits, (6) hold themselves out as minority owners of the Arizona Diamondbacks, and (7) receive all benefits as investors, Limited Partners and Eligible Holders.

123. Defendants, by their acts and omissions set forth above, including without limitation issuing and seeking to enforce the Buy-Up/Buy-Out Letter and Buy-Out Letter, have breached, and continue to breach, the implied covenant of good faith and fair dealing in that, among their things, (a) their acts and omissions were and are arbitrary, unfair, and unreasonably detrimental to the rights and interests of Plaintiffs and other minority Limited Partners, while at the same time being calculated to increase the value of Defendants' interests in the Partnership and the Team, and (b) the natural and intended effect of such acts and omissions is to deprive Plaintiffs of the essential benefits for which they bargained under the Investment Agreements and the Amended Partnership Agreement.

124. As a direct and foreseeable result of Defendants' breaches as set forth above, Plaintiffs have suffered, and continue to suffer, damages in the form of loss of funds, loss of distributions, loss of interest income, loss of investment value, loss of profit and otherwise, the full nature and extent of which have not yet been fully determined.

125. Plaintiffs are entitled to taxable costs, and to attorney fees under A.R.S. § 12-341.01.

126. The principal amount is wholly or partially liquidated. Under A.R.S. § 44-1201, Plaintiffs are entitled to interest on the foregoing amount at the highest legal rate from the date due until paid in full.

WHEREFORE, Plaintiffs request judgment against Defendants, jointly and severally, as follows:

A. For damages in an amount to be proved at trial;

B. For pre-judgment and post-judgment interest at the highest legal rate;

C. For costs and attorney fees, together with interest at the highest legal rate from the date of judgment until paid in full; and

D. For such other and further relief as is proper and just.

COUNT FOUR
(Breach of Fiduciary Duty Against Kendrick and AZDB I)

127. Plaintiffs reallege all other allegations in this Complaint.

128. Kendrick and AZDB I, by virtue of their status as General Partner, owe to all minority Limited Partners, including Plaintiffs, fiduciary duties of loyalty and good faith; without limiting the foregoing, Kendrick and AZDB I, owe Plaintiffs a fiduciary duty, in conducting the business of the Partnership and the Team, to act in Plaintiffs' best interest with the highest degree of good faith and fair dealing

129. Consistent with the foregoing, in various communications following the Buy-Up/Buy-Out Letter, Kendrick represented to Limited Partners, including Plaintiffs, and their representatives, that he could not increase the price being offered for Plaintiffs' Units or otherwise modify the demands in the Buy-Up/Buy-Out Letter or the declarations in the Buy-Out Letter, because he owed fiduciary duties to all Limited Partners.

130. Kendrick and AZDB I breached their fiduciary duties to Plaintiffs by their acts and omissions, as set forth in detail above, including without limitation by (a) purporting to require Plaintiffs to make the election set forth in the Buy-Up/Buy-Out Letter, (b) declaring in the Buy-Out Letter that "as of February 12, 2020, you are no longer a limited partner," and (c) depriving, or seeking to deprive, Plaintiffs of the expected and intended benefits flowing to them under the Investment Agreements and the Amended Partnership Agreement.

131. Kendrick and AZDB I further breached their fiduciary duties to Plaintiffs by engaging in the acts and conduct described above with the knowledge and intent that, by the removal of Plaintiffs and other minority Limited Partners from the Partnership, the interests of Defendants in the Partnership and the Team would be correspondingly increased.

132. As a direct, proximate and foreseeable result of the wrongful acts and omissions of Kendrick and AZDB I set forth above, Plaintiffs suffered, and continue to suffer, damages, in the form of loss of investment, loss of future profits and otherwise.

133. The acts and omissions of Kendrick and AZDB I set forth above were willful, malicious and performed with evil mind and a conscious disregard for the risk of injury to Plaintiffs. Plaintiffs are therefore entitled to an award of punitive damages.

WHEREFORE, Plaintiffs request judgment against Defendants Earl G. (Ken) Kendrick Jr. and Randy Kendrick, husband and wife, and each of them, and AZDB I, LLC, a Delaware limited liability company, jointly and severally, as follows:

A. For damages in an amount to be proved at trial;

B. For punitive damages in an amount sufficient to punish Kendrick and AZDB I for their wrongful conduct and to deter such conduct in the future;

C. For pre-judgment and post-judgment interest at the highest legal rate;

D. For costs and attorney fees, together with interest at the highest legal rate from the date of judgment until paid in full; and

D. For such other and further relief as is proper and just.

COUNT FIVE
(Accounting)

134. Plaintiffs reallege all other allegations in this Complaint.

135. By virtue of Defendants' breaches and wrongful acts as set forth above, and further by virtue of the terms and conditions of the Amended Partnership

Agreement and Delaware law, including without limitation Del. Code Ann. title 6, § 17-305, Plaintiffs are entitled to an accounting of the books and records of the Partnership.

136. Further, by virtue of the terms and conditions of the Amended Partnership Agreement and Delaware law, including without limitation Del. Code Ann. title 6, § 17-305, Plaintiffs are entitled to documents supporting or pertaining to the transactions described in the Buy-Up/Buy-Out Letter, including without limitation (1) all correspondence or other documents, including any letters or other communications from MLB, evidencing or supporting the purported conclusion that Plaintiffs have ceased to be Eligible Holders as defined in the Amended Partnership Agreement, (2) all articles of merger, merger agreements and other documents evidencing or pertaining to the claimed, proposed merger, and (3) the complete file of Bases Loaded Consulting, including without limitation the final valuation report and all work papers, supporting materials and emails and other communications with representatives of the Partnership.

137. Further, by virtue of the terms and conditions of the Amended Partnership Agreement and Delaware law, including without limitation Del. Code Ann. title 6, § 17-305, Plaintiffs are entitled to documents supporting or pertaining to (a) any and all revenues from television and radio rights, and (b) any and all transactions, including without limitation the transactions described in the Team's letters of October 8, 2015, and June 5, 2019, relating to broadcast rights and/or the Broadcast Entity, involving the direct or indirect sale of broadcast rights affecting the Team.

138. Further, by virtue of the terms and conditions of the Amended Partnership Agreement and Delaware law, and including without limitation Del. Code Ann. title 6, § 17-305, Plaintiffs are entitled to documents supporting or pertaining to any and all agreements, communications, and documents relating or pertaining to contemplated or effective gambling rights, sportsbooks, sports betting, fantasy sports, online gaming,

casino gambling, and any and all other gambling modes affecting or impacting the Team.

139. Plaintiffs are entitled to their costs and reasonable attorneys' fees incurred herein, pursuant to A.R.S. §12-341.01.

WHEREFORE, Plaintiffs request judgment against Defendants, jointly and severally, as follows:

A. For an Order that Plaintiffs are entitled to an accounting of the books and records of the Partnership;

B. For an Order that Plaintiffs are entitled to documents supporting or pertaining to the transactions described in the Buy-Up/Buy-Out Letter, including without limitation (1) all correspondence or other documents, including any letters or other communications from MLB, evidencing or supporting the purported conclusion that Plaintiffs have ceased to be Eligible Holders as defined in the Amended Partnership Agreement, (2) all articles of merger, merger agreements and other documents evidencing or pertaining to the claimed, proposed merger, and (3) the complete file of Bases Loaded Consulting, including without limitation the final valuation report and all work papers, supporting materials and emails and other communications with representatives of the Partnership;

C. For an Order that Plaintiffs are entitled to documents supporting or pertaining to (1) any and all revenues from television and radio rights, and (2) any and all transactions, including without limitation the transactions described in the Team's letters of October 8, 2015, and June 5, 2019, relating to broadcast rights and/or the Broadcast Entity, involving the direct or indirect sale of broadcast rights affecting the Team.

D. For an Order that Plaintiffs are entitled to documents supporting or pertaining to any and all agreements, communications, and documents relating or

pertaining to contemplated or effective gambling rights, sportsbooks, sports betting, fantasy sports, online gaming, casino gambling, and any and all other gambling modes affecting or impacting the Team;

E. For Plaintiffs' costs and reasonable attorneys' fees incurred herein;

F. For interest on the foregoing amounts from the date of Judgment until paid in full; and

G. For such other and further relief as the Court deems proper and just.

COUNT SIX
(Preliminary and Permanent Injunction)

140. Plaintiffs reallege all other allegations in this Complaint.

141. On information and belief, unless restrained from doing so, Defendants intend to, and immediately will, engage in conduct in violation of Plaintiffs' contractual and legal rights, including, without limitation treating Plaintiffs as no longer being Limited Partners and/or Unit Holders in the Team.

142. Further, upon information and belief, unless restrained from doing so, Defendants will act in accordance with their express threat to implement a "freeze-out merger" for the purpose of terminating Plaintiffs' rights and status as Limited Partners and Unit Holders.

143. A limited partnership or other ownership interest in the Arizona Diamondbacks, or any Major League Baseball team, is a unique and irreplaceable asset, the loss or deprivation of which cannot be adequately compensated for by money damages.

144. Plaintiffs have no adequate remedy at law.

145. Unless Defendants are immediately restrained and enjoined from the foregoing acts, Plaintiffs will suffer irreparable and irreparable injury, pending the trial of this matter.

146. Plaintiffs are therefore entitled to an order to show cause and preliminary injunction enjoining Defendants and their respective agents and employees, and all other persons acting under their direction and control, or in concert with them, during the pendency of this action, from the following:

A. Declaring, publically or in private, or taking any action to enforce any prior declaration that Plaintiffs are no longer minority Limited Partners or Unit Holders in the Team;

B. Depriving Plaintiffs of their rights to (1) share pro rata in the proceeds of sale of the Partnership or the Team, (2) hold their interests for future appreciation and sale, (3) hold their interests for distributions, profits and future anticipated profits, (4) participate in future appreciation and sale, (5) participate in distributions, profits and future anticipated profits, and (6) any and all other rights as investors, Limited Partners and Eligible Holders;

C. Requiring Plaintiffs to (1) increase their financial commitment to the Team, (2) accept a discounted buyout, or (3) be deprived of the essential benefits of ownership;

D. Implementing a merger or other transaction the purpose or effect of which would be to cause Plaintiffs no longer to be minority Limited Partners or Unit Holders in the Team.

147. Plaintiffs are further entitled to Judgment maintaining the foregoing preliminary injunctions in force as permanent injunctions.

148. Plaintiffs are entitled to costs and to an award of attorney fees under A.R.S. § 12-341.01.

WHEREFORE, Plaintiffs request Judgment against Defendants, jointly and severally, as follows:

A. That the Court issue an order requiring Defendants to appear and show cause, if any, why Defendants and their employees and agents, and all persons acting under their supervision and control or in concert with them, should not be preliminarily enjoined, during the pendency of this action, from the following:

i) Declaring, publically or in private, or taking any action to enforce any prior declaration that Plaintiffs are no longer minority Limited Partners or Unit Holders in the Team;

ii) Depriving Plaintiffs of their rights to (1) share pro rata in the proceeds of sale of the Partnership or the Team, (2) hold their interests for future appreciation and sale, (3) hold their interests for distributions, profits and future anticipated profits, (4) participate in future appreciation and sale, (5) participate in distributions, profits and future anticipated profits, and (6) any and all other rights as investors, Limited Partners and Eligible Holders;

iii) Requiring Plaintiffs to (1) increase their financial commitment to the Team, (2) accept a discounted buyout, or (3) be deprived of the essential benefits of ownership; or

iv) Implementing a merger or other transaction the purpose or effect of which would be to cause Plaintiffs no longer to be minority Limited Partners or Unit Holders in the Team.

B. That upon hearing, the Court issue a preliminary Injunction enjoining Defendants, and their respective employees and agents, and all persons acting under their supervision and control or in concert with them, from the acts described above during the pendency of this action.

upon trial on the merits, Defendants and their respective

and all persons acting under their supervision and control or in

permanently enjoined from the acts described above.

D. For costs and attorney fees, together with interest at the highest

from the date of judgment until paid in full; and

E. For such other and further relief as is proper and just.

DATED this 31st day of March, 2020.

Jaburg & Wilk, P.C.

Roger L. Cohen
Kathi Mann Sandweiss
3200 N. Central Avenue, 20th Floor
Phoenix, AZ 85012
Attorneys for Plaintiffs