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Bodzin & Golub, P.C.

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June 30, 1998

Florida Department of State  
Limited Partnership Division  
409 E. Gaines Street  
Tallahassee, Florida 32399

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-07/06/98--01120--010  
\*\*\*1837.50 \*\*\*1837.50

RE: Penewitt Family Limited Partnership

Dear Sir/Madam:

We are enclosing for recordation a short form Certificate of Limited Partnership to the Limited Partnership Agreement and Certificate of Limited Partnership and Affidavit of Limited Partners' Capital Contributions for the above-named Limited Partnership. A check in the amount of \$1,837.00 to cover filing fees and the cost of a certified copy is enclosed.

We have enclosed a self-addressed Federal Express envelope for your use for prompt return of the recorded Amendment.

Thank you for your prompt attention to this matter. If you have any questions concerning this filing, please call me at the telephone number shown above.

Sincerely yours,

*Patricia K. Porter*

Patricia K. Porter  
Office Coordinator

Name	7/7/98
Availability	Dec
Document	Encls.
Examiner	DCC
Updater	DCC
Updater	DCC
Verifier	DCC
Acknowledgement	DCC
W. P. Verifier	DCC

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TC  
\$762,300.00

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CERTIFICATE OF LIMITED PARTNERSHIP  
PURSUANT TO FLORIDA STATUTES 620.108  
OF  
PENEWITT FAMILY LIMITED PARTNERSHIP

A. Name : PENEWITT FAMILY LIMITED  
PARTNERSHIP

B. Address : 2340 Industrial Drive  
Panama City, Florida 32405

C. Registered Agent : Paul S. Penewitt  
2340 Industrial Drive,  
Panama City, Florida 32405

D. General Partner : Paul S. Penewitt  
2340 Industrial Drive  
Panama City, FL 32405

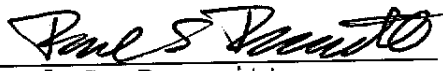
E. Mailing Address : 2340 Industrial Drive  
Panama City, FL 32405

F. Latest Dissolution Date : December 31, 2068

Additional terms of the Certificate of Limited Partnership are set forth in the Limited Partnership Agreement and Certificate of Limited Partnership of Penewitt Family Limited Partnership, which is being filed contemporaneously with this Certificate of Limited Partnership.

This document is duly executed and is being filed in accordance with Section 620.108, Florida Statutes.

General Partner:

  
Paul S. Penewitt

The undersigned, PAUL S. PENEWITT, a resident of the State of Florida, hereby agrees to serve as Registered Agent for the PENEWITT FAMILY LIMITED PARTNERSHIP.

  
Paul S. Penewitt

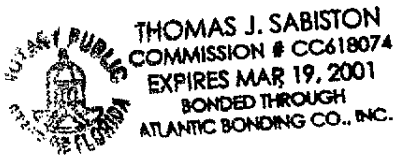
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SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

STATE OF FLORIDA  
COUNTY OF Bay

I HEREBY CERTIFY that on this 22<sup>nd</sup> day of June, 1998, before me personally appeared PAUL S. PENEWITT, who is personally known to me or who has produced the identification identified below, who is the person described in and who executed the foregoing instrument, and who after being duly sworn says that the execution hereof is his free act and deed for the uses and purposes herein mentioned.

SWORN TO AND SUBSCRIBED before me the undersigned Notary Public by my hand and official seal, the day and year last aforesaid.

☒ To me personally known  
☐ Identified by Driver's License Number  
☐ Issued by the State of \_\_\_\_\_



Thomas J. Sabiston  
Notary Public  
Typed Name \_\_\_\_\_

My Commission Expires:  
Commission No.:  
State of \_\_\_\_\_

[SEAL]

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SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

LIMITED PARTNERSHIP AGREEMENT  
AND  
CERTIFICATE OF LIMITED PARTNERSHIP  
OF  
PENEWITT FAMILY LIMITED PARTNERSHIP

This Limited Partnership Agreement and Certificate of Limited Partnership (the "Agreement") is made and entered into effective for all purposes by and among the undersigned persons, as of the 22 day of June, 1998, who, by the execution of this Agreement, agree to be bound by the terms, conditions and provisions of this Agreement.

R E C I T A L S:

A. The parties desire to form PENEWITT FAMILY LIMITED PARTNERSHIP in accord with the Florida Revised Uniform Limited Partnership Act, as amended (the "Act"), for the purpose of carrying on business and investment activities.

B. The parties desire to set forth in full the terms and conditions of their agreements and understandings relative to the Partnership in this Limited Partnership Agreement which is also intended to be recorded as the Certificate of Limited Partnership required under the Act.

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

Section 1

Formation of the Partnership; Partnership  
Name; Legal Requirements

1.1 The parties hereby agree that the Partnership shall exist as a limited partnership pursuant to the Act. The Act shall govern the respective rights and liabilities of the parties hereto except as otherwise expressly provided in this Agreement.

1.2 The name of the Partnership and the name under which its business shall be conducted shall be "Penewitt Family Limited Partnership." The General Partner may change the name of the Partnership or adopt such trade or fictitious names as he may determine to be appropriate, and shall provide notice thereof to the Partners as promptly as possible following any such determination.

1.3 The General Partner shall cause this Limited Partnership Agreement and Certificate of Limited Partnership to be executed and filed in such offices within the State of Florida and/or outside of the State of Florida as may be required under the Act. Thereafter, the General Partner shall cause to be executed and filed such other documents and certificates as may be necessary or desirable for the continuing existence of the Partnership and the conduct of the Partnership's business, under the Partnership name or under an assumed or fictitious name.

## Section 2

### Place of Business; Purposes; Term

2.1 The principal place of business of the Partnership shall be at 2340 Industrial Drive, Panama City, Florida 32405. The name of the initial registered agent in Florida is Paul S. Penewitt and the initial registered agent's address is 2340 Industrial Drive, Panama City, Florida 32405. At the discretion of the General Partner, the Partnership may relocate its principal place of business and have such other offices as the General Partner deems necessary or desirable, provided that notice thereof is furnished to the Partners as promptly as possible following any such determination and all requisite filings have theretofore been made.

2.2 The purposes for which the Partnership was formed, and the business and objectives to be carried on and promoted by it, are to (i) own and lease real property or interests in entities that own and lease real property located in Bay County, Florida, as described on Exhibit B (hereinafter sometimes referred to as the "Property"); (ii) carry on any and all activities related to the Property, including, without limitation of the foregoing, selling, leasing, operating, developing and constructing improvements, mortgaging or otherwise financing the Property; (iii) carry on any and all business and investment activities incident to the foregoing; and (iv) acquire and own interests in any other real or personal property (including stocks, bonds, securities, interests in partnerships and joint ventures, and other income producing assets).

2.3 The Partnership is empowered and authorized to:

(a) Acquire by purchase, lease or otherwise any real or personal property which may be necessary, convenient or incidental to the accomplishment of the purposes of the Partnership; and to file any and all applications for licenses and permits required for the development of, or the construction of improvements on, or the operation of any property owned by the Partnership.

(b) Raise and provide such funds as may be necessary to achieve the purposes and objectives of the Partnership and to borrow funds, execute and issue mortgage notes and other evidences of indebtedness and secure the same by mortgages, deeds of trust, pledges, or other liens.

(c) Construct, develop, operate, maintain, improve, buy, own, sell, convey, assign or lease any real estate and any personal property necessary or convenient to the accomplishment of the purposes of the Partnership;

(d) Negotiate for and conclude agreements for the sale, exchange or other disposition of all or substantially all of the Property of the Partnership, or for the refinancing of any mortgage or other secured loan on the Property of the Partnership;

(e) Acquire and enter into contracts of insurance which the General Partner deems necessary and proper for the protection of the Partners and the Partnership or for any purpose convenient or beneficial to the Partnership;

(f) Employ from time to time persons, firms or corporations for the operation and management of the Partnership business, including Affiliates of a General Partner, on such terms and for such compensation as the General Partner may determine;

(g) Enter into, perform and carry out contracts of any kind, including contracts with Partners and related parties, necessary or incidental to the accomplishment of the purposes of the Partnership;

(h) Bring and defend actions at law or in equity;

(i) Pay for expenses incurred in connection with the organization of the Partnership, the admission and substitution of Limited Partners, and the preparation and filing of amendments to this Agreement;

(j) Make interim investments in government obligations, certificates of deposit and money market accounts and funds;

(k) Make (or elect not to make) elections under the tax laws of the United States or any state as to the treatment of Partnership income, gain, loss, deduction and credit, and as to all other relevant matters; and,

(l) Engage in any kind of lawful activity, and perform and carry out contracts of any kind, necessary or advisable in connection with the accomplishment of the purposes of the Partnership.

2.4 The term of the Partnership shall commence on the date hereof. The Partnership shall continue under this Agreement (as amended from time to time) until December 31, 2068, unless (i) extended by unanimous Consent of the Partners, or (ii) sooner terminated as provided in this Agreement or by operation of law.

### Section 3

#### Definitions

Unless the context specifically otherwise requires, the following words, when used in this Agreement, have the meanings ascribed thereto in this Section:

3.1 "Accountants" means the independent certified public accountants for the Partnership.

3.2 "Affiliate" means any person or entity which (i) is a Partner or a member of a Partner's immediate family, (ii) is a legal representative, successor or assignee of any person in clause (i) above, (iii) is a trustee of a trust for the benefit of any person in clauses (i) and (ii) above, (iv) directly, or indirectly through intermediaries, controls, is controlled by or is under common control with any person in clauses (i) through (iii) above, where "control(s) (led)" means fifty percent (50%) or more ownership of voting power or beneficial interest, or (v) is an officer, director, trustee, employee, or stockholder of fifteen percent (15%) or more of the voting stock, or partner of any person in clauses (i) through (iv) above.

3.3 "Agreement" means this Limited Partnership Agreement and Certificate of Limited Partnership as the same may be hereafter amended from time to time in accordance with the Act.

3.4 "Bankruptcy" means (i) either the initiation by a Partner of a proceeding under a federal, state or local bankruptcy or insolvency law, or the initiation of any proceeding against a Partner which is not vacated, discharged or bonded within thirty (30) days of initiation, (ii) an assignment by a Partner for the benefit of creditors, (iii) the admission by a Partner in writing of his inability to pay his debts as they become due, or (iv) either the Consent of a Partner to appointment of a receiver or trustee for all or a substantial part of his property, or the court appointment of such receiver or trustee which is not suspended or terminated within thirty (30) days after appointment.

3.5 "Capital Account" means the account maintained by the Partnership for each Partner pursuant to Section 5 which, as of any given date, reflects his actual Capital Contributions paid to

the Partnership, including any adjustments authorized by the Code, increased by (i) subsequent capital contributions (if any), (ii) his distributive share of Partnership profits for each Fiscal Year (or fraction thereof), and (iii) his distributive share of any other item of income or gain, and decreased by (i) his distributive share of Partnership deductions and losses (including any specially allocated deductions) for each Fiscal Year (or fraction thereof) and (ii) all withdrawals and distributions of cash or property by the Partnership to him.

3.6 "Capital Contribution" means the total amount of money or other property contributed by each Partner to the Partnership as is reflected in the books and records of the Partnership pursuant to Section 5 of this Agreement. Any reference to a Partner's Capital Contribution shall include the Capital Contribution made by a predecessor holder(s) of the Interest of such Partner, unless the context requires otherwise.

3.7 "Capital Proceeds" means the aggregate of: (i) the net proceeds received from the refinancing of any existing indebtedness secured by any Partnership assets, (ii) the net proceeds received from the sale or condemnation of the Property, or all or substantially all of the other Partnership assets, (iii) the net proceeds received from title or fire and extended coverage insurance, (iv) the net proceeds distributed from any reserves previously set aside from Capital Proceeds which are deemed available for distribution by the General Partners; and (v) the net proceeds received from another partnership or similar entity on account of the foregoing affecting such other partnership or similar entity; less amounts paid from such Capital Proceeds for (i) the expenses of the Partnership incurred in connection with such sale, refinancing or condemnation, including, without limitation, sales or financing commissions or fees, but not including any fees paid to the General Partners or an Affiliate of either of the General Partners; and legal and accounting fees, (ii) the amounts used for the repayment of any prior loans or obligations of the Partnership, other than to a Partner or an Affiliate, and (iii) the expenses and costs of the Partnership incurred in the construction, repair or restoration of improvements to the Property.

3.8 "Code" means the Internal Revenue Code of 1986, as amended, together with the Income Tax Regulations ("Regulations") thereunder.

3.9 "Consent" means either the written consent of a person, or the affirmative vote of such person at a meeting duly called and held pursuant to this Agreement, as the case may be, to do the act or thing for which the consent is required or solicited, or the act of granting such consent, as the context may require. Reference to the consent of a stated percentage in Interest of the Partners (or a class of Partners) means the consent of so

many of the Partners (or Partners of such class) not then in default whose combined Interests represent such stated percentage of the total Interests of the Partners not then in default, or such higher percentage as is required by applicable law. For purposes of any such consent or vote all Limited Partners shall be considered members of a single class.

3.10 "Fiscal Year" means the accounting period (anticipated to be the calendar year) selected by the General Partner for use by the Partnership.

3.11 "General Partner" means Paul S. Penewitt, and any person or entity who shall hereafter become a General Partner of the Partnership in accordance with the terms of this Agreement.

3.12 "Interest" or "Partnership Interest" means the percentage of ownership interest of a Partner in the Partnership at any particular time, including the right of such Partner to any and all benefits to which such Partner may be entitled as provided in this Agreement and in the Act, together with the obligations of such Partner to comply with all the terms and provisions of this Agreement and of the Act, which percentage Interest for voting and certain other purposes of this Agreement shall, absent proof to the contrary, be as set forth on Exhibit A hereof, as amended from time to time as provided herein.

3.13 "IRS" means the Internal Revenue Service, a branch of the United States Department of the Treasury.

3.14 "Limited Partners" means those persons listed on Exhibit A attached hereto, as it may be amended from time to time, who have made Capital Contributions to the capital of the Partnership and who have agreed to be bound by the terms, conditions and provisions of this Agreement, and any additional Limited Partners who are admitted to the Partnership, and any Substitute Limited Partner who is admitted to the Partnership.

3.15 "Majority-In-Interest" means Limited Partners owning at least 51% of the Interests in the Partnership.

3.16 "Net Cash Flow" means, with respect to any Fiscal Year or other accounting period selected by the General Partner, the sum of (i) all cash receipts of the Partnership from operations and all other sources, other than Capital Contributions and Capital Proceeds, (ii) the net proceeds of any insurance, other than title or fire and extended coverage insurance, and (iii) any other funds deemed available for distribution by the General Partner, including any amounts previously set aside as reserves from Net Cash Flow; less Partnership disbursements that are not funded with Capital Contributions or Capital Proceeds or

Partnership reserves for (i) Operating Expenses, (ii) all required payments by the Partnership upon the principal and accrued interest of any obligations of the Partnership, including any obligation payable to a Partner or an Affiliate, (iii) capital construction, acquisitions, alterations, improvements, replacements or other similar capital outlay items, and (iv) reserves or escrows for improvements, replacements, or repairs, or to meet anticipated expenses, as the General Partner shall deem necessary.

3.17 "Notice" means a writing containing the information required by this Agreement to be communicated to a person and personally delivered to such person or sent by registered or certified mail, postage prepaid, return receipt requested, to such person at the last known address of such person as shown on the books of the Partnership, the date of personal delivery, or the date of sending by registered or certified mail, as the case may be, being deemed the date of such Notice; provided, however, that any written communication containing such information actually received by a person shall constitute Notice for all purposes of this Agreement.

3.18 "Operating Expenses" means all current reasonable costs and expenses of operation of the Property or other properties of the Partnership, including, without limitation, costs of payroll, taxes, insurance, maintenance, repairs, debt service (both principal and interest), management fees, prepaid expenses, escrows and reserves required by any lender, costs of audit and preparation of financial reports and tax returns pursuant to this Agreement, and reasonable reserves to meet anticipated expenses, but excluding costs of formation of the Partnership and any other capital costs of the Partnership.

3.19 "Partners" means the General Partner and the Limited Partners.

3.20 "Property" means the parcels of land and improvements thereon located in Bay County, Florida, described on Exhibit B.

3.21 "Substitute Limited Partner" means any person who is an assignee or successor of a Limited Partner and is admitted to the Partnership pursuant to the provisions hereof.

3.22 "Tax Matters Partner" means Paul S. Penewitt.

#### Section 4

##### Names and Addresses of Partners; Interests

4.1 The General Partner of the Partnership is Paul S. Penewitt. His address and Interest are listed on Exhibit A.

4.2 The Limited Partners of the Partnership are those persons or entities whose names, addresses and Interests are listed on Exhibit A and who shall have duly executed and acknowledged this Agreement or counterparts of this Agreement.

4.3 Any Partner may change his address by Notice delivered to the General Partner.

4.4 For purposes of this Agreement, if any Limited Partner is not a natural person, any duly authorized officer, trustee, partner or other agent of such Limited Partner shall represent such Limited Partner in the business and affairs of the Partnership.

4.5 Each Partner who is not a natural person shall give Notice to the Partnership of the person duly authorized to act for such Partner in the business and affairs of the Partnership.

#### Section 5

##### Capital Contributions; Capital Accounts

5.1 (a) In exchange for his Partnership Interest as the General Partner, Paul S. Penewitt has contributed 1% of the value of all assets contributed to the Partnership by the Partners.

(b) In exchange for their Interests as Limited Partners, the Limited Partners have each transferred his or her undivided interest in the Property to the Partnership and/or cash and securities as a Capital Contribution to the Partnership. The parties agree that the aggregate fair value of the Property as of the date hereof is \$196,581, and the aggregate fair market value of the cash and securities contributed by the Limited Partners as of the date hereof is \$565,719. The Limited Partners who contributed the Property agree to convey or cause to be conveyed to the Partnership the legal title to the Property, and each Limited Partner who contributed cash or securities agrees to transfer or cause to be transferred to the Partnership legal title to such cash or securities.

(c) The Capital Contributions of the Partners are the amounts reflected on Exhibit A hereof. Such Capital

Contributions shall be entered on the books and records of the Partnership.

5.2 A Capital Account shall be maintained for each of the Partners in accord with the provisions of this Section 5 and Section 1.704-1(b)(2)(iv) of the Regulations. Said Capital Account shall properly reflect the amount contributed by each Partner to the Partnership; including any adjustment authorized by the Code, as increased by (i) subsequent Capital Contributions (if any), (ii) his share of the profits of the Partnership, and (iii) his share of any other item of income or gain; and decreased by (i) all withdrawals and distributions chargeable to his Capital Account, and (ii) his share of all losses incurred by the Partnership and any deductions specially allocated to him under the terms of this Agreement.

5.3 (a) Except as otherwise specifically provided by this Agreement, whenever it is necessary to determine the Capital Account balance of any Partner for purposes of this Agreement, the Capital Account balance of such Partner shall be determined after giving effect to all allocations of income, gains, deductions and losses of the Partnership for the current year and all distributions for such year in respect to transactions effected prior to the time as of which such determination is to be made. However, if, pursuant to this Agreement or as may otherwise be required by the Code, any Partnership property is reflected on the books of the Partnership at a book value that differs from the adjusted basis of such property for income tax purposes, then for purposes of determining the Partners' Capital Account balances, all items of income, gain, loss, deduction and expenditure with respect to such property shall be computed based upon the book value of such property, and depreciation, amortization, and gain or loss shall be allocated or charged to the Partners' Capital Accounts in a manner consistent with such computation.

(b) Unless otherwise agreed by a Majority-In-Interest of the Limited Partners, an adjustment in the book value of all Partnership Property shall be made upon:

(i) Any contribution of money or other property (other than an insignificant amount) to the Partnership by a new or existing Partner as consideration for an Interest in the Partnership; or

(ii) Any distribution of money or other property (other than an insignificant amount) by the Partnership to a retiring or continuing Partner as consideration for the reduction of his Interest in the Partnership.

In any case in which an adjustment to the book value of any Partnership property is to be made, the fair market value of the

Partnership property shall be determined by an independent appraiser selected by the General Partner or by such other method as the Limited Partners shall determine to be appropriate, and the Capital Accounts of the Partners shall be adjusted as though each item of the Partnership's property had been sold for its fair market value (or in the case of property encumbered by indebtedness as to which no Partner has any personal liability, the greater of the fair market value of such property or the amount of such indebtedness) and the gains and losses resulting from such sales had been credited or charged to the Capital Accounts of the Partners as provided in this Agreement.

(c) To the extent that any differences between the tax basis and book value of any item of Partnership property result in a variation between the depreciation, amortization, and gain or loss as computed for book purposes with respect to such property, the Capital Accounts of the Partners shall reflect only the adjustments made for book purposes and the variation in such items for tax purposes shall be allocated among the Partners in a manner that takes into account the variation between the adjusted tax basis of Partnership property and its book value in the same manner as variations between the adjusted tax basis and fair market value of property contributed to the Partnership are taken into account in determining the Partners' shares of tax items under Section 704(c) of the Code.

5.4 A Partner shall not be entitled to withdraw any part of such Partner's Capital Account or Capital Contribution or to receive any distribution from the Partnership, except as specifically provided in this Agreement. There shall be no obligation to return to any Partner any part of such Partner's Capital Contributions to the Partnership for as long as the Partnership continues in existence.

5.5 No interest will be paid to any Partner on any capital contributed by such Partner to the Partnership.

5.6 Loans or advances by any Partner to the Partnership shall not be considered contributions to the capital of the Partnership and shall not increase the Capital Account balance of the lending or advancing Partner.

5.7 Any Partner who shall receive an Interest in the Partnership, or whose Interest in the Partnership shall be increased, by means of a transfer to such Partner of all or part of the Interest of another Partner shall have a Capital Account balance which reflects such transfer. Any Partner who shall acquire all or part of the Interest of any other Partner shall, with respect to the Interest so acquired, be deemed to be a Partner of the same class as his transferor.

5.8 The Limited Partners shall not be personally liable for any of the debts or obligations of the Partnership or be required to loan or contribute any capital to the Partnership in addition to the contributions required by the provisions of this Agreement, and all such Interests shall be fully-paid and nonassessable. Notwithstanding any of the foregoing to the contrary, to the extent required by the Act or other applicable law, if any of the Partners receives a distribution in part or full return of such Partner's Capital Contributions to the Partnership, such Partner shall be liable to the Partnership for any sum, not in excess of such amount returned plus interest, necessary to discharge the liabilities of the Partnership to creditors who extended credit or whose claims arose before such distribution.

5.9 (a) In the event that at any time (or from time to time) additional funds are required by the Partnership for or in respect of its business or any of its obligations, expenses, costs, liabilities or expenditures, the General Partner shall endeavor, for and on behalf of the Partnership, to borrow such funds from commercial banks, lending institutions and/or other persons (or from the Partners), on such terms and conditions and with such security as the General Partner may deem appropriate.

(b) The provisions of this Section 5.9 are not intended to be for the benefit of any creditor or other person (other than a Partner in his capacity as a Partner) to whom any debts, liabilities or obligations are owed by (or who otherwise has any claim against) the Partnership or any of the Partners; and no such creditor or other person shall obtain any right under any such foregoing provision or shall by reason of any such foregoing provision make any claim in respect of any debt, liability or obligation (or otherwise) against the Partnership or any of the Partners.

## Section 6

### Control and Management; Indemnity Against Certain Acts

6.1 The General Partner, to the exclusion of all other Partners, but subject to the provisions of Section 7 hereof, shall have full, exclusive and complete authority and discretion in the management and control of the business of the Partnership for the purposes herein stated and for any other purpose or business which the Partnership may lawfully conduct, and shall make all decisions affecting the business of the Partnership. If the General Partner acts in contravention of his authority under this Agreement, he shall be liable to the Partnership for any liability the Partnership may suffer because of the General

Partner's unauthorized acts. The General Partner shall manage and control the affairs of the Partnership to the best of his ability and shall use his best efforts to carry out the business and purposes of the Partnership as set forth in Section 2, and in connection therewith the powers of the General Partner shall include, but shall not be limited to, the power to perform all actions set forth in Section 2 hereof.

6.2 The validity of any transaction, agreement or payment involving the Partnership and the General Partner or any Affiliate of the General Partner, otherwise permitted by the terms of this Agreement or necessary or desirable in connection with the Partnership's business, shall not be affected by reason of such relationship between the Partnership and the General Partner or between the General Partner and such Affiliate. Any transaction between the Partnership and a General Partner or any Limited Partner shall be effected on such terms and conditions as are commercially reasonable and proper.

6.3 As additional rights and powers, the General Partner shall possess and may enjoy and exercise all of the rights and powers of general partners as more particularly provided by the Act, except to the extent any of such rights may be limited or restricted by the express provisions of this Agreement or the Act.

6.4 The General Partner shall exercise the powers granted hereby in a fiduciary capacity and in the best interests of the Partnership. Notwithstanding the generality of the powers granted hereby, the General Partner shall not have any authority to:

- (a) Do any act in contravention of this Agreement;
- (b) Do any act not specifically authorized herein which would make it impossible to carry on the ordinary business of the Partnership;
- (c) Possess Partnership property or assign the rights of the Partnership in specific property for other than a Partnership purpose;
- (d) Admit a person as a general partner or a limited partner of the Partnership, except in accordance with this Agreement;
- (e) Continue the business with the Partnership property after the withdrawal or removal of the General Partner named herein or its adjudication of bankruptcy or insolvency;

(f) Change or extend the purposes of the Partnership; or change or reorganize the Partnership into any other legal form;

(g) Confess a judgment against the Partnership; or

(h) Require the Limited Partners to make any contribution to the capital of the Partnership or make any loans or other commitments to the Partnership not provided for herein.

6.5 The General Partner and Affiliates of the General Partner with whom he may contract on behalf of the Partnership, its designees and nominees shall not be liable to the Partnership, nor to the Limited Partners for, and, to the extent of its assets, the Partnership shall indemnify such parties against liability (including fees and expenses of legal counsel and court costs) resulting from errors in judgment or any acts or omissions, performed or made by him in a manner reasonably believed by him to be within the scope of his authority under this Agreement, unless caused by his own willful misconduct or gross negligence.

6.6 During the continuance of the Partnership, the General Partner and Affiliates of the General Partner with whom he may contract on behalf of the Partnership shall devote such of his time to the business and affairs of the Partnership as he may, in his sole discretion, deem to be necessary to conduct said business. The General Partner and his Affiliates may engage in, for his own account and for the account of others, any business ventures, including the purchase of real estate properties, the development, operation, management or syndication of real estate properties (for his own account or on behalf of other partnerships, joint ventures, corporations or other entities in which he has an interest) whether or not such other properties may be in competition with the Property, and the Partnership and its Partners shall have no right to participate therein. Any Partner may engage in and/or possess any interest in other business ventures of every nature and description, independently or with others, including but not limited to, the ownership, financing, leasing, operation, management, syndication, brokerage and development of real property; and neither the Partnership nor any Partner hereof shall have any rights in or to any such independent venture or the income or profits derived therefrom.

6.7 The General Partner shall not be liable for the return of any portion of the Capital Contributions of the Limited Partners. The General Partner does not in any way guarantee the return of the Capital Contributions of the Limited Partners or a profit from the operations of the Partnership.

Section 7

Undertakings of the General Partner

7.1 Except as otherwise may be provided in this Agreement, the General Partner shall have the full and absolute discretion in the operation and management of the Property, assets and affairs of the Partnership.

7.2 The General Partner shall provide ongoing services on behalf of the Partners. These services shall include, but shall not be limited to, the following:

(a) The General Partner shall provide management services to the Partnership and shall be responsible for the day-to-day operation, management and supervision of the Property and the other assets of the Partnership.

(b) The General Partner shall provide general supervisory management and administrative services to the Partnership (i.e., operate the business of the Partnership, enter into contracts and agreements on behalf of the Partnership, etc.).

(c) The General Partner shall cause the Partnership to comply with the terms of all leases, mortgage notes, mortgages, loan agreements, and other similar documents relating to the lease of and financing affecting the Property or any other assets of the Partnership.

7.3 If, at any time, the General Partner deems it to be in the best interest of the Partnership to sell, assign, transfer, lease, sublease, pledge, mortgage or hypothecate the Property, any assets of the Partnership or any interests in the Partnership, or to refinance an indebtedness of the Partnership which is secured by a mortgage or deed of trust encumbering the Property or any other indebtedness of the Partnership, the General Partner shall use his best efforts to effect such transaction on the best terms available.

7.4 The General Partner shall not be paid any salary or other compensation for serving as General Partner of the Partnership. However, the General Partner shall be entitled to a priority distribution of Net Cash Flow in the manner provided in Section 8.7(c). The General Partner shall at all times be entitled to be reimbursed by the Partnership for all out of pocket legal and auditing fees and expenses; other fees and expenses of agents and advisors; costs of insurance; expenses connected with distributions to and communications with Limited Partners and the bookkeeping and clerical work necessary in maintaining relations with the Limited Partners, including the

costs incurred by the General Partner or its Affiliates or other related parties, in printing and mailing checks, statements, and reports; and any other reasonable expenses which the General Partner might incur in connection with Partnership business.

### Section 8

#### Allocation of Income, Losses and Gains; Distributions

8.1 After giving effect to the special allocations set forth in Sections 8.4 through 8.6, the income and profits of the Partnership shall be shared, and the losses of the Partnership shall be borne, by the Partners, in the following manner:

(a) In any Fiscal Year in which the Partnership incurs a net loss, that net loss shall be allocated among the Partners, pro rata, in proportion to their respective Partnership Interests. If in any Fiscal Year the allocation of any part of a net loss of the Partnership to a Limited Partner is limited by the application of any provision hereof or Section 1.704-1(b) of the Regulations, any such net loss so limited shall be allocated to the General Partner.

(b) In any Fiscal Year in which the Partnership realizes a net profit from ordinary operations, that net profit shall be allocated as follows:

(i) First, to the General Partner to the extent required to offset any Partnership net losses specially allocated to the General Partner pursuant to the second sentence of Section 8.1(a) until the cumulative amount of net income allocated to the General Partner in the current and all prior Fiscal Years under this Section 8.1(b) (i) equals the cumulative amount of Partnership net losses specially allocated pursuant to the second sentence of Section 8.1(a).

(ii) Second, to the General Partner to the extent of the amount of any priority distribution of Net Cash Flow distributed to the General Partner pursuant to Section 8.7(c) but no more than the net profit remaining after the allocation made to the General Partner pursuant to Section 8.1(b) (i).

(iii) Then, the balance of the net profits of the Partnership shall be allocated among the Partners pro rata, in proportion to their respective percentages of Partnership Interest.

8.2 (a) After giving effect to the special allocations set forth in Sections 8.4 through 8.6, the gain realized by the Partnership on the sale or other disposition of all or

substantially all of the Partnership's Property in a single transaction or from any other capital transaction of the Partnership shall be allocated among the Partners in the following manner:

(i) First, such gain shall be allocated to the General Partner to the extent required to offset any Partnership net losses specially allocated to the General Partner pursuant to the second sentence of Section 8.1(a) until the cumulative amount of gain and net profit allocated to the General Partner in the current and all prior Fiscal Years under this Section and Section 8.1(b)(i) equals the cumulative amount of Partnership net losses allocated pursuant to the last sentence of Section 8.1(a).

(ii) Then, any gain in excess of the amount required to be allocated to the General Partner pursuant to Section 8.2(a)(i) shall be allocated to the Partners pro rata, in proportion to their respective percentages of Partnership Interest.

(b) After giving effect to the special allocations set forth in Sections 8.4 through 8.6, the losses realized by the Partnership on the sale or other disposition of all or substantially all of the Partnership's Property in a single transaction or from any other capital transaction of the Partnership shall be allocated to all Partners, pro rata according to their respective Partnership Interests.

8.3 Income, profits, gains, losses, deductions, and credits allocated to a Partnership Interest assigned or reissued during a Fiscal Year of the Partnership shall be allocated to the persons who were the holders of such Interest during such Fiscal Year, in proportion to the number of days that each such holder was recognized as the owner of such Interest during such Fiscal Year or in any other proportion permitted by the Code and selected by the General Partner, without regard to the results of Partnership operations during the period in which each such holder was recognized as the owner of such Interest during such Fiscal Year, and without regard to the date, amount or recipient of any distributions which may have been made with respect to such Interest; provided, however, that this provision shall not be applicable to a gain or loss on the sale or other disposition of all or any substantial portion of the Partnership property or to any other extraordinary non-recurring items. In any such event, the tax effects of such extraordinary non-recurring items shall be allocated to the person who was the holder of the Interest at the time of the occurrence of the sale or other disposition or other extraordinary non-recurring event.

8.4 (a) Any increase or decrease in the amount of any item of income, profits, gains, losses, deductions, or credits attributable to an adjustment to the basis of Partnership assets

made pursuant to a valid election under Sections 732, 734, 743, and 754 of the Code, and pursuant to corresponding provisions of applicable state and local income tax laws, shall be charged or credited, as the case may be, and any increase or decrease in the amount of any item of credit or tax preference attributable to any such adjustment shall be allocated, to those Partners entitled thereto under such laws.

(b) If any Partner transfers all or part of his Partnership Interest at a profit, any basis adjustment, pursuant to the election under Section 754 of the Code (or pursuant to Section 732 of the Code if the transfer results in termination of the Partnership under Section 708 of the Code), shall be allocated solely to the transferee, and any gain, loss, or depreciation shall be allocable in a manner to reflect such basis adjustment.

(c) Notwithstanding the provisions of Sections 8.1(a) and 8.1(b) or 8.2(a) and 8.2(b), if the tax basis of any property contributed, or treated under the Code as contributed, to the Partnership by any Partner is more or less than the amount credited to the Capital Account of the contributing Partner, for federal or state income tax purposes, the gain or loss of the Partnership upon the sale or other disposition of such property shall be first allocated to the Partner who contributed such property to the Partnership in the manner provided by Code Section 704(c) and the Regulations thereunder taking into account the adjustments made to the adjusted tax basis of such property from the time of contribution to the time of sale or other disposition of such property.

(d) Notwithstanding anything to the contrary in this Section 8, to the extent that any amounts are paid or accrued to a Partner for services performed in a Partnership capacity or for the use of capital by the Partnership, and are measured by Partnership income within the meaning of Code Sections 707(a) or 707(c), respectively, such amount shall be treated as a distribution of Partnership income to the Partner receiving such fee and an equal amount of taxable income of the Partnership shall be specially allocated to such Partner.

(e) If, under any circumstances, the Capital Account of a Limited Partner is unexpectedly reduced to a negative balance by reason of an adjustment, allocation, or distribution described in Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6) of the Income Tax Regulations, then, notwithstanding any other provision of this Agreement, all income and gain realized by the Partnership shall be allocated exclusively to such Limited Partner until such Limited Partner's negative Capital Account balance which resulted from such adjustment, allocation or distribution is offset in full. This provision is intended as a "qualified income offset" within the meaning of Section 1.704-

1(b)(2)(ii)(d) of the Income Tax Regulations and shall be construed so as to give effect to that intention.

(f) Any Partner Loan Nonrecourse Deductions (as defined in Section 8.6 hereof) for any Fiscal Year or other period shall be allocated to the Partner who bears the risk of loss with respect to the loan to which such Partner Loan Nonrecourse Deductions are attributable in accordance with Section 1.704-1(b)(4)(iv)(g) of the Regulations (or, if applicable, Section 1.704-1(b)(4)(iv)(h) of the Regulations).

8.5. Notwithstanding anything contained in this Agreement to the contrary, if and to the extent that there is a net decrease in Partnership Minimum Gain, as computed pursuant to the provisions of Regulations Section 1.704-1(b)(4)(iv)(e), during the Fiscal Year (or portion thereof), or if the amount allocable pursuant to this Section 8.5 in prior Fiscal Years is less than the net decrease in Partnership Minimum Gain in such prior Fiscal Years, and if any Limited Partner would otherwise have a deficit Capital Account balance at the end of such Fiscal Year (after giving effect to all other adjustments to the Limited Partner's Capital Account with respect to such Fiscal Year), such Limited Partner shall be specially allocated, before any other allocation is made under this Agreement, income or gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in the amount and in the proportions sufficient to eliminate such deficits as quickly as possible, in the manner set forth in the provisions of Regulations Section 1.704-1(b)(4)(iv)(e). This Section 8.5 is intended to comply with the Minimum Gain Chargeback requirement provided in the provisions of Regulations Section 1.704-1(b)(4)(iv)(e) and shall be interpreted consistently therewith.

8.6 (a) The allocations set forth in Sections 8.1, 8.2, 8.4, and 8.5 hereof (the "Regulatory Allocations") are intended to comply with certain requirements of Regulations Section 1.704-1(b). Notwithstanding any other provisions of this Section 8 (other than the Regulatory Allocations), the Regulatory Allocations shall be taken into account in allocating other profits, losses and items of income, gain, loss and deduction among the Partners so that, to the extent possible, the net amount of such allocations of other profits, losses and other items and the Regulatory Allocations to each Partner shall be equal to the net amount that would have been allocated to each such Partner if the Regulatory Allocations had not occurred. Notwithstanding the preceding sentence, Regulatory Allocations relating to (a) nonrecourse deductions (as defined in Section 1.704-1(b)(4)(iv)(b) of the Regulations) shall not be taken into account except to the extent that there has been a reduction in Partnership Minimum Gain, and (b) Partner Loan Nonrecourse Deductions shall not be taken into account except to the extent that there would have been a reduction in Partnership Minimum Gain if the loan to which such deductions are attributable were

not made or guaranteed by a Partner within the meaning of Section 1.704-1(b)(4)(iv)(g) (or, if Section 1.704-1(b)(4)(iv)(h) of the Regulations becomes applicable to the Partnership, a person related to a Partner within the meaning of such section of the Regulations). For purposes of this Section 8, Partner Loan Nonrecourse Deductions means any Partnership deductions that would be nonrecourse deductions if they were not attributable to a loan made or guaranteed by a Partner within the meaning of Section 1.704-1(b)(4)(iv)(g) of the Regulations (or, if applicable, Section 1.704-1(b)(4)(iv)(h) of the Regulations).

(b) The General Partner shall have reasonable discretion, with respect to each Partnership Fiscal Year, to (i) apply the provisions of Sections 8.4, 8.5 and 8.6 hereof in whatever order is likely to minimize the economic distortions that might otherwise result from the Regulatory Allocations, and (ii) divide all allocations pursuant to Sections 8.4, 8.5 and 8.6 hereof among the Partners in a manner that is likely to minimize such economic distortions.

8.7 Net Cash Flow shall be distributed by the General Partner to all Partners in the following manner:

(a) First, to setting up of such reserves which the General Partner deems reasonably necessary for unforeseen and/or anticipated expenses and liabilities;

(b) Then to interest and next to principal on account of any loans made by a Partner to the Partnership;

(c) Then to the General Partner in an amount equal to \$18,000 per annum; and

(d) Lastly, to all Partners, pro rata in proportion to their respective percentages of Partnership Interest.

8.8 Notwithstanding any other provision of this Agreement, and specifically Section 8.7, Capital Proceeds received by the Partnership shall be distributed by the General Partner in the following manner:

(a) First, to pay off any remaining unpaid balance due on any outstanding liabilities (including any mortgages or deeds of trust encumbering the Property or other Partnership property) of the Partnership owed to any person, including any Partner;

(b) Then a preferential distribution shall be made to those Partners whose Capital Account balance (in relation to other Partners) is greater than their Partnership Interest is in relation to the other Partners. Such preferential distribution shall be in an amount required to render (as of the date of such distribution) the respective Capital Accounts of all Partners

proportional to the respective percentages of Partnership Interest of all Partners as set forth on Exhibit A; provided, however, except as required by law, no Partner shall as a result of the application of this paragraph be required to contribute any additional capital to the Partnership; and

(c) Lastly, the Capital Proceeds, if any, remaining after the distributions described in Sections 8.8(a) and 8.8(b) shall be distributed to all the Partners hereof, pro rata, in proportion to their respective percentages of Partnership Interest.

8.9 The amount and timing of any Partnership distribution shall be in the full discretion of the General Partner and may be paid out in any manner which the General Partner deems reasonable.

## Section 9

### Rights and Obligations of Limited Partners

9.1 The Limited Partners shall not participate in the management or control of the Partnership's business, nor shall they transact any business for the Partnership, nor shall they have power to sign for or bind the Partnership. Said powers are vested solely and exclusively in the General Partner. Except as they may specifically agree herein, the Limited Partners shall not be bound by, nor be personally liable for, the expenses, liabilities or obligations of the Partnership, except to the extent of their respective Capital Accounts and except that the Limited Partners may be required to return, with interest, cash distributions charged against their Capital Accounts in order to repay debts incurred by the Partnership to a creditor who extended credit prior to such distribution. The Interests owned by the Limited Partners, after payment of the full Capital Contribution agreed to be made, shall be fully paid and nonassessable.

9.2 In addition to those provided in the Act, the Limited Partners shall have the following rights, powers, privileges, duties and liabilities:

(a) The Limited Partners shall have the right to have full and true information of all things affecting the Partnership, and shall be entitled to such reports as are provided for in this Agreement.

(b) The Limited Partners shall have the right to demand the return of their Capital Account balances in cash only on the dissolution and winding up of the Partnership. The

Limited Partners shall not have the right to bring an action for partition against the Partnership.

(c) The Limited Partners or their duly authorized representative shall be entitled, upon written request and for any proper purpose, to review the records of the Partnership at reasonable times and at the location where such records are kept by the Partnership.

(d) The Limited Partners shall have the right to request the General Partner to call a meeting of all of the Partners for informational purposes. Such request shall be in writing and shall be made by Partners owning an aggregate of at least 66-2/3% of the Partnership Interests. Such meeting shall be held in the offices of the Partnership, or at such other convenient place as is designated by the General Partner, not less than fifteen (15) nor more than sixty (60) days after receipt of such request by the General Partner.

#### Section 10

##### Transfer of Partner's Interest; Withdrawal of a General Partner

10.1 Except as provided in Section 10.5, the Limited Partners may not assign their Interests in the Partnership to any person, in whole or in part. If a permitted assignment of an Interest is made, it must be evidenced by an executed and acknowledged written instrument, and:

(a) The proposed assignee must agree in writing to be bound by this Agreement and to assume the obligations of his transferor; and

(b) The General Partner must give his Consent to such assignment, which Consent may be unreasonably withheld.

The assignment shall be recognized by the Partnership only as effective on the first day of the month following receipt by the Partnership of notice of the assignment unless the General Partner, in his sole discretion, elects to recognize the assignment as effective as of an earlier date. The Partnership may charge the assigning Limited Partner a transfer fee equal to the costs of effecting the transfer of such Interest.

10.2 (a) No assignee of the whole or any portion of a Limited Partner's Interest in the Partnership pursuant to Section 10.1 shall have the right to become a Substitute Limited Partner in place of his assignor unless all of the following conditions are satisfied:

(i) The fully executed and acknowledged written instrument of assignment which has been filed with the Partnership sets forth a statement of the intention of the assignor that the assignee become a Substitute Limited Partner in his place;

(ii) The assignor and assignee execute, adopt and acknowledge a counterpart of this Agreement and such other instruments as the General Partner may deem necessary or desirable to effect such admission, including, without limiting the General Partner from requiring more -- (A) this Agreement; and (B) a power of attorney, the form and content of which shall be provided by the General Partner;

(iii) Such transfer fee, referred to in Section 10.1, as may be charged shall have been paid to the Partnership; and

(iv) The General Partner shall have given his consent to the assignment pursuant to Sections 10.1(b) and 10.3; and

(v) An amendment to this Agreement and such other filings as are required by Florida law evidencing the admission of such person as a Limited Partner shall have been filed for recording.

(b) The General Partner may elect to treat an assignee who has not become a Substitute Limited Partner as a Substitute Limited Partner, in the place of his assignor, should the General Partner deem, in his sole discretion, that such treatment is in the best interest of the Partnership or for any of its purposes under this Agreement.

(c) The General Partner shall be required to promptly amend this Agreement to reflect the substitution of Limited Partners. Until this Agreement is so amended, an assignee shall not become a Substitute Limited Partner.

(d) For the purpose of allocating income, profits, gains, losses, deductions and credits and distributing cash of the Partnership between transferors and transferees, as otherwise set forth in Section 8 of this Agreement, a Substitute Limited Partner shall be treated as having become a Partner upon his signing an amendment of this Agreement.

(e) If a Limited Partner assigns his Interest, he must evidence his intention that his proposed assignee be admitted as a Substitute Limited Partner in his place and execute any instruments reasonably required in connection therewith by the General Partner.

10.3 The Consent of the General Partner to the proposed assignment of a Limited Partner's Interest and/or the substitution of his assignee as a Substitute Limited Partner may be conditioned upon receipt of (i) an opinion of counsel for the Partnership that such transfer would not cause the Partnership to be treated as an association taxable as a corporation rather than a partnership for federal income tax purposes, cause the termination of the Partnership for federal income tax purposes, or violate the provisions of any federal or state securities laws; and (ii) evidence that the proposed assignee meets any applicable net worth, income or other requirements of any federal or state securities laws and regulations applicable to him.

10.4 If an assignee of a Limited Partner pursuant to Section 10.1 does not become a Substitute Limited Partner pursuant to Section 10.2, the Partnership shall not recognize the assignment, and the assignee shall not have any rights exercisable against the Partnership to receive any portion of the share of income, profits, gains, losses, deductions, credits and distributions of the Partnership to which the Limited Partner would have been entitled if no such assignment had been made by such Limited Partner. Any such income, profits, gains, losses, deductions, credits and distributions shall continue to be allocated as if there were no assignment; provided, however, that the Partnership may, in the full discretion of the General Partner, allocate and distribute the assignor Limited Partner's share of income, profits, gains, losses, deductions, credits and distributions directly to such assignee in full satisfaction of the assignor Limited Partner's rights to such allocations and distributions. Further, an assignee who does not become a Substitute Limited Partner has no right to require any information on account of the Partnership's business or to inspect the Partnership's books, and he has no right to vote.

10.5 Subject to the provisions of Sections 10.1 and 10.2, a Limited Partner may transfer, alienate, assign, give, bequeath or otherwise dispose of all or any portion of his Partnership Interest, whether voluntarily or by operation of law, to the transferor's parent or parents, brothers or sisters, naturally or legally adopted children, if applicable, or to an inter vivos or testamentary trust primarily for the benefit of any of the aforesaid related persons, or to a beneficiary of a trust that is a Partner, or to a partner of a partnership that is a Partner or to a Partnership of which he is a partner, or to a corporation, foundation or other organization described in Section 501(c)(3) of the Code; provided, however, that each such transfer or other disposition shall be expressly conditioned upon each such transferee or his or its legal representative acknowledging in writing to the Partnership, either prior to or at the time of such transfer, that he or it shall be similarly bound by this Agreement to the same extent as his or its transferor.

10.6 (a) Notwithstanding the provisions of Sections 10.1 and 10.2, a Limited Partner may, by written instrument, designate any person or entity to whom such Limited Partner could transfer his Interest under Section 10.5 to become the assignee of all or a portion of his or its Interest immediately upon his or its dissolution, death or legal incapacity. Such an assignee, if then living, will become a Substitute Limited Partner immediately upon the assignor's dissolution, death or legal incapacity without requirement of any action on the part of the legal representatives or estate of such Limited Partner; and such legal representatives or the estate of such Limited Partner shall have no Interest whatsoever in the Partnership; provided, however, that (i) the estate or other legal successor in interest of the dissolved, deceased or legally incapacitated Limited Partner shall remain liable for any unpaid Capital Contribution and other personal obligations of such Limited Partner pursuant to this Agreement, and (ii) such an assignee is duly recognized by the Partnership pursuant to this Section. Any such designation must be in writing and filed with and approved by the General Partner during such Limited Partner's lifetime or legal existence. Such designation may be revoked from time to time and a new designation made and filed with and approved by the General Partner. The Partnership may recognize such designated assignee as a Substitute Limited Partner but only if (i) duly notified in writing of the dissolution, death, or legal incapacity of the assignor Limited Partner; (ii) furnished with a legal opinion paid for by the assignor, his or its estate or legal representatives, which is acceptable to the General Partner to the effect that such designation is valid under all applicable laws, including the laws of assignment, estate and intestate succession; and (iii) the requirements of Section 10.2(a) are met.

(b) If a Limited Partner does not designate a person to become an assignee of his or its Interest upon his or its death, dissolution or legal incapacity pursuant to Section 10.6(a), then upon his or its death, dissolution or legal incapacity, the personal representative or other legal successor in interest of the Limited Partner shall have all of the rights of a Limited Partner for the purpose of settling or managing his or its estate or affairs, as the case may be, and such power as the decedent or legally incapacitated Limited Partner possessed to constitute a successor as a proposed assignee of his or its Interest in the Partnership and to join with such proposed assignee in making application to substitute such proposed assignee as a Substitute Limited Partner pursuant to Sections 10.1 and 10.2.

(c) The death, dissolution or legal incapacity of a Limited Partner shall not dissolve the Partnership.

10.7 Upon the dissolution, cessation, bankruptcy or insolvency of a Limited Partner which exists as a legal entity in the form of a trust, corporation, partnership or other non-individual entity, the authorized representative of such entity shall have all the rights of the Limited Partner for the orderly winding up and disposition of the business of such entity as it relates to the Partnership, which rights include the power of such authorized representative to constitute a successor, as a proposed assignee of such entity's Interest, and to join with such entity in making application to substitute such proposed assignee as a Substitute Limited Partner pursuant to Sections 10.1 and 10.2.

10.8 (a) Without the unanimous Consent of all other Partners, the General Partner shall not have the right to assign or transfer his Interest. Upon the attainment of such Consent, such assignee of all or part of the General Partner's Interest shall be admitted to the Partnership as a substitute or additional General Partner upon compliance with the same conditions as are set forth in Section 10.2(a) for the substitution of a Limited Partner in place of the assignor of a Limited Partner Interest. In the event of such assignment, the sole remaining General Partner(s), if any, and the substitute or additional General Partner(s) shall execute and file for recordation in the appropriate governmental offices in the State of Florida such documents as may be required to effect the substitution, including an amendment to this Agreement. However, assignment of an Interest by a General Partner shall not relieve the General Partner of any debts or obligations incurred prior to the date of such assignment.

(b) A General Partner shall have the right to retire or withdraw from the Partnership with the unanimous Consent of the Limited Partners. In the event of such a resignation or withdrawal, the provisions of Section 10.9(b) shall apply. If a General Partner purports to resign or withdraw from the Partnership in violation of the foregoing provision, such General Partner shall remain liable for the debts, obligations, and liabilities of the Partnership to the same extent as if such General Partner had not purported to resign or withdraw and, in addition, shall be liable to the Partnership and the Partners for any damages (including counsel fees) sustained by reason of such purported resignation or withdrawal.

10.9 Upon the retirement, withdrawal, removal, bankruptcy, dissolution, death, disability, insanity or legal incapacity of the General Partner:

(a) The business of the Partnership shall be continued with the Partnership property by the remaining Partner(s) (and the Partners, by execution of this Agreement, expressly so agree to continue the business of this Partnership);

(b) The General Partner shall immediately cease to be a General Partner and his Interest shall be converted to that of a Limited Partner; provided, however, that such termination shall not affect any rights, obligations or liabilities of the General Partner existing prior to such event (whether or not such rights, obligations or liabilities were known or had matured);

(c) Shirley K. Penewitt shall become the General Partner; and

(d) Shirley K. Penewitt shall immediately (i) give Notice to the Limited Partners of the occurrence of such event; and (ii) make such amendments of this Agreement and execute and file for recordation in the appropriate offices in the State of Florida such amended Certificate, Agreement, or other instruments as are necessary to reflect such General Partner having ceased to be the General Partner and Shirley K. Penewitt having become the General Partner.

10.10 Upon the retirement, withdrawal, removal, bankruptcy, dissolution, termination, liquidation, death, disability, insanity or legal incapacity of the sole remaining General Partner, the Partnership shall be dissolved unless the Limited Partners, within six (6) months subsequent to any such event, elect to continue the business of the Partnership and designate another person or entity to serve as General Partner who consents to and accepts such designation in accordance with this Agreement as of the date of the event necessitating such action. In such event the reconstituted Partnership shall succeed to and continue the business of the Partnership, and Section 10.9(b) shall apply with respect to the General Partner and his Interest.

## Section 11

### Dissolution and Winding Up

11.1 The Partnership shall continue for the term of the Partnership as provided in Section 2.4, or until dissolution occurs prior to that date for any one of the following reasons:

(a) An election to dissolve the Partnership made in writing by the General Partner;

(b) The sale, exchange or other disposition of all or substantially all of the Property of the Partnership; provided, however, that if the Partnership receives a purchase money mortgage or other evidence of indebtedness in connection with such a sale, the Partnership will continue until such mortgage or

other indebtedness is satisfied, sold or otherwise disposed of;

(c) In accordance with Section 10.10, the retirement, withdrawal, removal, bankruptcy, dissolution, termination, liquidation, death, disability, insanity or legal incapacity of the sole remaining General Partner; or

(d) Any other event which under Florida law would cause the dissolution of the Partnership.

11.2 Upon dissolution of the Partnership, the General Partner shall retain all powers of the General Partner of the Partnership for purposes of winding up the affairs of the Partnership. The General Partner shall make a full accounting of Partnership assets and liabilities, shall cause the Partnership assets to be liquidated, and any Capital Proceeds derived therefrom shall be allocated and distributed as elsewhere provided in this Agreement.

11.3 Notwithstanding any other provisions of this Section 11, in the event the Partnership is liquidated within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g) but no liquidating event as described in Section 11.1(a) has occurred, the Property and other assets of the Partnership shall not be liquidated, the Partnership's liabilities shall not be paid or discharged, and the Partnership's affairs shall not be wound up. Instead, the Partnership shall be deemed to have distributed the Property and other assets of the Partnership in kind to the Partners, who shall be deemed to have assumed and been subject to all Partnership liabilities, all in accordance with their respective Capital Accounts. Immediately thereafter, the Partners shall be deemed to have recontributed the Property and other assets of the Partnership in kind to the Partnership, which shall be deemed to have assumed and taken such Property and other assets subject to all such liabilities.

## Section 12

### Power of Attorney

12.1 The Limited Partners hereby irrevocably make, constitute and appoint the General Partner as their true and lawful attorney-in-fact and agent with full power and authority in their names, places and stead, to make, execute, sign, acknowledge, deliver, file and record with respect to the Partnership the following:

(a) All Certificates and Agreements, amended Certificates and Agreements or other instruments, including

counterparts of this Agreement, which the General Partner deems appropriate to qualify or continue the Partnership as a limited partnership in each jurisdiction in which the Partnership conducts business;

(b) All instruments which the General Partner deems appropriate to reflect any change or modification of the Partnership or amendment of this Agreement made in accordance with the terms hereof, including the approval and substitution of assignees or transferees as Limited Partners;

(c) All conveyances and other instruments which the General Partner deems appropriate to effect, evidence and reflect any sales or transfers by, or the dissolution, termination and liquidation of, this Partnership, including any sales or transfer of Interests pursuant to the Agreement;

(d) All amendments and modifications of this Agreement deemed appropriate by the General Partner (i) to add to the representations, duties or obligations of the General Partner, or to surrender any right or power granted to the General Partner herein, for the benefit of the Limited Partners; (ii) to cure any ambiguity and to correct or supplement any provision herein which may be inconsistent with any other provision; (iii) to preserve the status of the Partnership as a "partnership" for Federal income tax purposes; (iv) to delete or add any provision of this Agreement required to be so deleted or added by the staff of the Securities and Exchange Commission, or any other Federal agency or by a state "Blue Sky" commission or official or similar such official, which addition or deletion is deemed by such Commission, agency or official to be for the benefit or protection of the Limited Partners; or (v) if such amendment is, in the opinion of counsel for the Partnership, necessary or appropriate to satisfy the requirements of Code Section 704(b) or the Regulations promulgated thereunder; and

(e) All such other instruments, documents and certificates which may from time to time be required by the Partnership, its mortgage lenders, the IRS, the State of Florida, the United States of America, or any political subdivision within which the Partnership conducts its business, to effectuate, implement, continue and defend the valid and subsisting existence of the Partnership as a limited partnership and to carry out the intention and purposes of this Agreement.

12.2 The foregoing powers of attorney granted are hereby declared to be irrevocable and a power coupled with an interest, and each such power of attorney shall survive the dissolution or legal incapacity of the granting Limited Partner and extend to such Limited Partner's successors and assigns or legal successors.

12.3 Notwithstanding any provision contained in Section 12.1, without the prior Consent of all Partners, no amendment to this Agreement shall change the Partnership to a general partnership, materially increase the commitments of the Limited Partners, adversely affect the federal income tax classification of the Partnership or adversely affect the limited liability of the Limited Partners hereunder. Furthermore, except as otherwise provided herein, without the prior Consent of all Partners, this Agreement shall not be amended if the effect of such amendment would be to change the relative rights and interests of the Partners in the profits, Net Cash Flow, distributions of Capital Proceeds, or losses or deductions of the Partnership or their rights upon liquidation.

### Section 13

#### Books of Account and Reports; Tax Matters

13.1 Proper books of account shall be kept wherein shall be entered all transactions, matters and things relating to the Partnership's business as are usually entered into books of account kept by persons engaged in a business of a like character. The General Partner shall have prepared at least once annually, at the Partnership's expense, the following reports and schedules:

(a) Financial statements of the Partnership, containing a balance sheet and related statements of profit and loss and changes in financial position, prepared by the Accountants for the Partnership, on an annual basis using such methods of accounting as may be selected by the General Partner in his full discretion, and such financial reports shall be furnished to all Partners; and

(b) For each Fiscal Year, the General Partner shall deliver to the Partners by March 15 of the following year (unless unavoidably delayed), a Schedule K-1 applicable to each Partner, showing the allocation of such profit and loss and deductions to that Partner for the preceding Fiscal Year, and upon request, a copy of the entire Form 1065 will be furnished.

13.2 The Partnership shall cause to be prepared and timely filed with appropriate federal and state regulatory and administrative bodies, all reports required to be filed with such entities under current applicable laws, rules and regulations. Such reports shall be prepared on the accounting or reporting basis required by such regulatory bodies.

13.3 (a) The General Partner is hereby designated pursuant to Code Section 6231(a)(7) as the Partnership's Tax Matters

Partner ("TMP"), who is responsible for acting as the liaison between the Partnership and the IRS and as the coordinator of the Partnership's actions pursuant to an IRS tax audit of the Partnership. The General Partner shall continue to serve as TMP until the sooner to occur of the following events:

- (i) The Partnership is terminated;
- (ii) The General Partner ceases to be the General Partner of the Partnership or resigns as TMP; or
- (iii) The General Partner is removed as TMP by Consent of the Partners.

(b) The TMP shall have the duties enumerated below, without obtaining the consent of any other Partner, in addition to such other duties as may be provided in the Code and Income Tax Regulations:

(i) Furnish to the IRS, when properly requested pursuant to the Code, the names, addresses, profits interest, and taxpayer identification number of each person and/or entity who or which was a Partner in the Partnership at any time during the Partnership's taxable year;

(ii) Keep all the Partners informed of all administrative and judicial proceedings for the adjustment, at the Partnership level, of Partnership items;

(iii) Extend the period of limitations for making assessments against the Partnership;

(iv) After receipt from the IRS of a notice of a final Partnership administrative adjustment, file a petition for a readjustment of Partnership items for such taxable year with: (1) the Tax Court; (2) the District Court of the United States for the district in which the Partnership's principal place of business is located; or (3) the Claims Court; and

(v) Enter into binding settlement agreements with the IRS with regard to Partnership items as provided in Code Section 6224(c)(3).

(c) Notwithstanding the general authority conferred upon the General Partner as TMP under the provisions of this Section 13.3, without the prior Consent of all of the Limited Partners, the TMP shall not do anything or take any action in connection with an income tax audit of the Partnership which would have the effect of increasing the distributable income or gain allocated to, or decreasing the losses, deductions or credits of, the Limited Partners.

(d) In furtherance of the duties of the TMP described in this Agreement, the TMP shall be reimbursed by the Partnership for all expenses, costs, and liabilities expended or incurred by the TMP.

#### Section 14

##### Miscellaneous Provisions

14.1 Any reference in this Agreement, by name or number, to a government department, agency, statute, regulation, program or form shall include any successor or similar department, agency, statute, regulation, program or form.

14.2 The address of each Partner for all purposes shall be the address set forth on Exhibit A appended to this Agreement or such other address of which the General Partner has received notice. Any notice, demand or request permitted to be given or made hereunder shall be in writing and shall be deemed given or made when delivered in person or when sent to such Partner at such address by first class mail or by telegram or Western Union Mailgram.

14.3 All section titles or captions in this Agreement are for convenience only. They shall not be deemed part of this Agreement and in no way define, limit, extend or describe the scope or intent of any provisions hereof.

14.4 Whenever the context may require, any pronoun used herein shall include the corresponding masculine, feminine or neuter forms. The singular form of nouns, pronouns and verbs shall include the plural and vice versa.

14.5 The Partners shall execute and deliver all documents, provide all information and take or forbear from all such action as may be necessary or appropriate to achieve the purposes of the Partnership and this Agreement.

14.6 This Agreement shall be construed in accordance with and governed by the laws of the State of Florida.

14.7 This Agreement shall be binding upon and inure to the benefit of the parties and their heirs, executors, administrators, successors, legal representatives and assigns.

14.8 This Agreement constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto. No covenant, representation or condition not expressed in this Agreement shall affect or be deemed to interpret, change or restrict the express provisions hereof.

14.9 Except as provided by law or otherwise as set forth herein, this Agreement may be modified or amended only with the written approval of all Partners.

14.10 None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of the Partnership.

14.11 No failure by any party to insist upon the strict performance of any covenant, duty, agreement, or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach of such or any other covenant, agreement, term or condition. Any Partner by notice pursuant to Section 14.2 hereof may, but shall be under no obligation to, waive any of his rights or any conditions to his obligations hereunder, or any duty, obligation or covenants of any other Partner. No waiver shall effect or alter the remainder of this Agreement but each and every covenant, agreement, term and condition hereof shall continue in full force and effect with respect to any other then existing or subsequent breach.

14.12 The rights and remedies of any of the parties hereunder shall not be mutually exclusive, and the implementation of one or more of the provisions of this Agreement shall not preclude the implementation of any other provisions. Each of the parties recognizes and confirms that damages at law may be an inadequate remedy for a breach or threatened breach of any provision hereof. The respective rights and obligations hereunder shall be enforceable by specific performance, injunction or other equitable remedy but nothing herein contained is intended to or shall limit or affect any rights of the parties for a breach or threatened breach of any provision hereof, it being the intention by this paragraph to make clear the agreement of the parties that the respective rights and obligations of the parties hereunder shall be enforceable in equity as well as at law or otherwise.

14.13 This Agreement may be executed in counterparts, all of which taken together shall constitute one agreement binding on all the parties notwithstanding that all the parties are not signatories to the original or the same counterpart. Each party shall become bound by the Agreement immediately upon affixing his signature hereto, independently of the signature of any other party.

14.14 Each Partner represents to the others and to the Partnership that he has been duly authorized to execute and deliver this Agreement.

14.15 Each Partner hereby waives any right to a partition of the Partnership property.

IN WITNESS WHEREOF, the undersigned Partners have executed this Agreement effective as of the date hereinabove stated.

Witnesses:

General Partner:

\_\_\_\_\_

Paul S. Penewitt [SEAL]  
Paul S. Penewitt

Witnesses:

Limited Partners:

\_\_\_\_\_

Paul S. Penewitt [SEAL]  
Paul S. Penewitt

\_\_\_\_\_

Shirley K. Penewitt [SEAL]  
Shirley K. Penewitt

\_\_\_\_\_

Paul Steven Penewitt [SEAL]  
Paul Steven Penewitt

\_\_\_\_\_

Cathy Gaile Penewitt [SEAL]  
Cathy Gaile Penewitt

EXHIBIT A

PENEWITT FAMILY LIMITED PARTNERSHIP  
LIMITED PARTNERSHIP AGREEMENT  
AND  
CERTIFICATE OF LIMITED PARTNERSHIP

<u>NAME AND ADDRESS</u>	<u>CAPITAL CONTRIBUTION*</u>	<u>PERCENTAGE OF PARTNERSHIP INTEREST</u>
<u>GENERAL PARTNER:</u>		
Paul S. Penewitt 2340 Industrial Drive Panama City, Florida 32405	\$ 7,700.00	1.0000%
<u>LIMITED PARTNERS:</u>		
Paul S. Penewitt 2340 Industrial Drive Panama City, Florida 32405	\$ 367,300.00	47.7013%
Shirley K. Penewitt 2340 Industrial Drive, Panama City, Florida 32405	\$ 375,000.00	48.7013%
Paul Steven Penewitt 1811 Tyndall Drive Panama City, Florida 32401	\$ 10,000.00	1.2987%
Cathy Gaile Penewitt 319 S. Bonita Avenue Panama City, Florida 32401	\$ 10,000.00	1.2987%
	<hr/>	<hr/>
	\$ 770,000.00 =====	100.0000% =====

\* See Section 5 of the Limited Partnership Agreement  
and Certificate of Limited Partnership.

EXHIBIT B

PENEWITT FAMILY LIMITED PARTNERSHIP

LIMITED PARTNERSHIP AGREEMENT  
AND  
CERTIFICATE OF LIMITED PARTNERSHIP

The Property of the Partnership is the land and improvements located in Bay County, Florida, being more particularly described as follows:

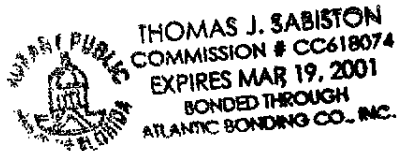
	Estimated Value ( <u>Net of Mortgage</u> )
(1) Unit 703, Cove Condominium, 100 Cherry Street, Panama City, Florida	\$ 68,025
(2) 2340 Industrial Drive, Panama City, Florida	\$ 78,684
(3) 2313 Industrial Drive, Panama City, Florida	\$ 49,872

STATE OF Florida  
COUNTY OF Bay

I HEREBY CERTIFY that on this 22 day of JUNE, 1998,  
before me personally appeared PAUL S. PENEWITT, who is personally  
known to me or who has produced the identification identified below,  
who is the person described in and who executed the foregoing  
instrument, and who after being duly sworn says that the execution  
hereof is his free act and deed for the uses and purposes herein  
mentioned.

SWORN TO AND SUBSCRIBED before me the undersigned Notary  
Public by my hand and official seal, the day and year last aforesaid.

☒ To me personally known  
☐ Identified by Driver's License Number \_\_\_\_\_  
☐ Issued by the State of \_\_\_\_\_



Thomas J. Sabiston  
Notary Public  
Typed Name \_\_\_\_\_

My Commission Expires:  
Commission No.:  
State of \_\_\_\_\_

STATE OF Florida  
COUNTY OF Bay

I HEREBY CERTIFY that on this 22 day of June, 1998,  
before me personally appeared SHIRLEY K. PENEWITT, who is personally  
known to me or who has produced the identification identified below,  
who is the person described in and who executed the foregoing  
instrument, and who after being duly sworn says that the execution  
hereof is her free act and deed for the uses and purposes herein  
mentioned.

SWORN TO AND SUBSCRIBED before me the undersigned Notary  
Public by my hand and official seal, the day and year last aforesaid.

☒ To me personally known  
Identified by Driver's License Number  
Issued by the State of Florida



THOMAS J. SABISTON  
COMMISSION # CC618074  
EXPIRES MAR 19, 2001  
BONDED THROUGH  
ATLANTIC BONDING CO., INC.

Thomas J. Sabiston  
Notary Public  
Typed Name

My Commission Expires:  
Commission No.:  
State of \_\_\_\_\_

STATE OF Florida  
COUNTY OF Bay

I HEREBY CERTIFY that on this 22 day of JUNE, 1998,  
before me personally appeared CATHY GAILE PENEWITT, who is personally  
known to me or who has produced the identification identified below,  
who is the person described in and who executed the foregoing  
instrument, and who after being duly sworn says that the execution  
hereof is her free act and deed for the uses and purposes herein  
mentioned.

SWORN TO AND SUBSCRIBED before me the undersigned Notary  
Public by my hand and official seal, the day and year last aforesaid.

☒ To me personally known  
\_\_\_\_ Identified by Driver's License Number \_\_\_\_\_  
\_\_\_\_ Issued by the State of \_\_\_\_\_



THOMAS J. SABISTON  
COMMISSION # CC618074  
EXPIRES MAR 19, 2001  
BONDED THROUGH  
ATLANTIC BONDING CO., INC.

Thomas J. Sabiston  
Notary Public  
Typed Name \_\_\_\_\_

My Commission Expires:  
Commission No.:  
State of \_\_\_\_\_

STATE OF FLORIDA

COUNTY OF Bay

I HEREBY CERTIFY that on this 22 day of June, 1998, before me personally appeared PAUL STEVEN PENEWITT, who is personally known to me or who has produced the identification identified below, who is the person described in and who executed the foregoing instrument, and who after being duly sworn says that the execution hereof is his free act and deed for the uses and purposes herein mentioned.

SWORN TO AND SUBSCRIBED before me the undersigned Notary Public by my hand and official seal, the day and year last aforesaid.

✓ To me personally known  
Identified by Driver's License Number  
Issued by the State of FLORIDA



THOMAS J. SABISTON  
COMMISSION # CC618074  
EXPIRES MAR 19, 2001  
BONDED THROUGH  
ATLANTIC BONDING CO., INC.

Thomas J. Sabiston  
Notary Public  
Typed Name Thomas J. Sabiston

My Commission Expires:  
Commission No.:  
State of FLORIDA

PENEWITT FAMILY LIMITED PARTNERSHIP

AFFIDAVIT

OF

LIMITED PARTNERS' CAPITAL CONTRIBUTIONS

FILED  
98 JUL -6 PM 1:25  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA


Personally before me, the undersigned authority, a Notary Public in and for the County of Bay, State of Florida, duly commissioned and qualified, there came and appeared PAUL S. PENEWITT, the General Partner of the PENEWITT FAMILY LIMITED PARTNERSHIP, being first duly sworn, did depose and say:

1. The names, addresses and value of the capital contributions of the limited partners as of June \_\_, 1998, of the PENEWITT FAMILY LIMITED PARTNERSHIP are as follows:

- |       |  |            |
|-------|--|------------|
| (i)   | Paul S. Penewitt<br>2340 Industrial Drive<br>Panama City, Florida 32405    | \$ 367,300 |
| (ii)  | Shirley K. Penewitt<br>2340 Industrial Drive<br>Panama City, Florida 32405 | \$ 375,000 |
| (iii) | Paul Steven Penewitt<br>1811 Tyndall Drive<br>Panama City, Florida 32401   | \$ 10,000  |
| (iv)  | Cathy Gaile Penewitt<br>319 S. Bonita Avenue<br>Panama City, Florida 32401 | \$ 10,000  |

TOTAL \$ 762,300  
=====

2. The amount of capital contributions by any future limited partners has not yet been determined. In the event additional capital is contributed to the Partnership by any future limited partners, a supplemental affidavit will be filed and the appropriate fees will be paid when such event occurs.

  
Paul S. Penewitt, General Partner [SEAL]

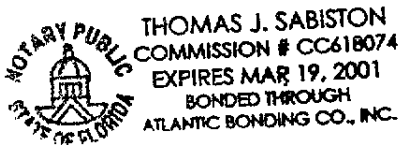
STATE OF FLORIDA

COUNTY OF Bay

I HEREBY CERTIFY that on this 22 day of JUNE, 1998, before me personally appeared, PAUL S. PENEWITT, who is personally known to me or who has produced the identification identified below, who is the person described in and who executed the foregoing instrument, and who after being duly sworn says that the execution hereof is his free act and deed for the uses and purposes herein mentioned.

SWORN TO AND SUBSCRIBED before me the undersigned Notary Public by my hand and official seal, the day and year last aforesaid.

☒ To me personally known  
☐ Identified by Driver's License Number \_\_\_\_\_  
Issued by the State of \_\_\_\_\_



Thomas J. Sabiston  
Notary Public  
Typed Name \_\_\_\_\_

My Commission Expires:

Commission No.:

State of \_\_\_\_\_

[SEAL]