

Filing Fee: \$50.00

62552

State of Rhode Island and Providence Plantations
CERTIFICATE OF LIMITED PARTNERSHIP

Be it Known to All by these Presents, That we, the undersigned, desiring to form a limited partnership under and by virtue of the powers conferred by Chapter 7-13 of the General Laws of Rhode Island, do execute the following Certificate of Limited Partnership:

FIRST. The name of the partnership shall be Waterman Lake Marina Limited Partnership

SECOND. The character of the business conducted by the partnership shall be

See attached Agreement

THIRD. The address of the specified office of the partnership is 32 West Greenville Road, Gloucester, Rhode Island 02828

(NO. STREET, CITY OR TOWN IN RHODE ISLAND)

and the name of the specified agent for service of process at such address is

C. Walter Steere

FOURTH. The names and residences of all members of the partnership, both general and limited, are as respectively designated. (Use Schedule A if space below is not sufficient.)

General Partners

Residence (NO STREET, CITY OR TOWN, STATE)

C. Walter Steere Box 822, Greenville, RI 02828

Elaine C. Steere Box 822, Greenville, RI 02828

Limited Partners

Residence (NO STREET, CITY OR TOWN, STATE)

David W. Steere Box 822, Greenville, RI 02828

C. Walter Steere Box 822, Greenville, RI 02828

Elaine C. Steere Box 822, Greenville, RI 02828

FIFTH. The following items listed immediately below shall be the contribution of each partner. (Use Schedule A if space below is not sufficient.)

Name of Partner	Cash	Property other than Cash	Value
C. Walter Steere	0	See Schedule A on attached Agreement	\$50,000
Elaine C. Steere	0	See Schedule A on attached Agreement	\$50,000
David W. Steere	\$100	0	\$100
See attached			

and the items listed immediately below shall be the future contributions, agreed to be made by each partner. (Use Schedule A if space below is not sufficient.)

Name of Partner	Cash	Property other than Cash	Value

SIXTH. The times at which or the events on the happening of which said future contributions shall be made shall be See attached

SEVENTH. Provisions (if any) for the power of a limited partner to grant the right to become a limited partner to an assignee of any part of his partnership interest, and the terms and conditions of the power. See attached

**EIGHTH.** If agreed upon, the time at which or the events on the happening of which a partner may terminate his/her/its membership in the limited partnership and the amount of, or the method of determining the distribution to which a partner may be entitled respecting his/her/its partnership interest, and the terms and conditions of the termination and distribution.....

See attached.....  
.....  
.....  
.....

**NINTH.** The right (if any) of a partner to receive distributions of property, including cash from the limited partnership. See attached.....

**TENTH.** The right (if any) of a partner to receive, or of a general partner to make, distributions to a partner which include a return of all or any part of the partner's contributions

See attached.....  
.....  
.....  
.....

**ELEVENTH.** The time (if any) at which or events (if any) upon the happening of which the limited partnership is to be dissolved and its affairs wound up. See attached.....

**TWELFTH.** The right (if any) of the remaining general partners to continue the business on the happening of an event of withdrawal of a general partner. See attached.....  
.....  
.....  
.....

THIRTEENTH. Other matters as the partners have determined to include herein  
(Use Schedule A if space below is not sufficient.)

See attached

In Testimony Whereof, We have hereunto set our hands and stated our residences this  
25<sup>th</sup> day of October A.D. 19 90

Name	Residence (NO STREET, CITY OR TOWN, STATE)
C. Walter Steere	Box 822, Greenville, RI 02828
Elaine C Steere	Box 822, Greenville, RI 02828
David W. Steere	Box 822, Greenville, RI 02828

RECEIVED  
SECRETARY OF STATE  
CORPORATIONS DIV.

NOV 23 11 48 AM '90

DEPARTMENT OF STATE  
OFFICE OF  
SECRETARY OF STATE  
PROVIDENCE, R. I.

Rec'd & Filed NOV 23 1990  
PJM-25 #49533

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WATERMAN LAKE MARINA LIMITED PARTNERSHIP  
CERTIFICATE AND AGREEMENT OF LIMITED PARTNERSHIP

Certificate and Agreement of Limited Partnership dated this 25<sup>th</sup> day of October, 1990, by and among C. WALTER STEERE and ELAINE C. STEERE, husband and wife, as Joint Tenancy General Partner, both of Glocester, Rhode Island, and DAVID W. STEERE, of Glocester, Rhode Island, C. WALTER STEERE, of Glocester, Rhode Island and ELAINE C. STEERE, of Glocester, Rhode Island, as Limited Partners. In consideration of the covenants and agreements hereinafter set forth, the parties hereto agree as follows:

ARTICLE I

GENERAL PROVISIONS

1.01 Formation and Name of the Partnership. The undersigned hereby form a Limited Partnership (the "Partnership") pursuant to the provisions of the Limited Partnership Act, R.I.G.L. §7-13-12, et seq. (the "Limited Partnership Act"). The name of the Partnership shall be the WATERMAN LAKE MARINA LIMITED PARTNERSHIP, or such other name as the General Partner may from time to time determine. The General Partner shall cause to be filed on behalf of the Partnership a certificate of limited partnership in accordance with the Limited Partnership Act and such partnership or assumed or fictitious name certificate or certificates as may from time to time be required by law.

1.02 Business of the Partnership. The business of the Partnership shall be to acquire, own, operate, maintain, manage, lease and/or develop and sell the property described in Schedule "A" attached hereto; to borrow money and issue evidence of indebtedness and to secure the same by mortgage, deed of trust, pledge or other security interest in furtherance of any and all objects of the business of the Partnership; and to do any and all other acts and things which may be necessary, incidental or convenient to carry out the business of the Partnership as contemplated by this Agreement.

1.03 Place of Business of the Partnership. The principal place of business of the Partnership shall be located at 32 West Greenville Road, Glocester, Rhode Island 02828. The General Partner may, at any time and from time to time, change the location of the Partnership's principal place of business, upon written notice of such change to all Limited Partners, and may establish such additional place or places of business of the Partnership as it may from time to time determine.

1.04 Duration of the Partnership. The Partnership will be constituted as a limited partnership upon the filing of a Certificate of Limited Partnership for the Partnership in accordance with the Limited Partnership Act as enacted in the State of Rhode Island, and shall

continue until December 31, 2020, unless terminated at an earlier date in accordance with Article VII hereof.

1.05 Partners' Names and Addresses. The names and addresses of the partners are set forth on Schedule "B" hereto.

1.06 Title to Partnership Property. All property owned by the Partnership, whether real or personal, tangible or intangible, shall be deemed to be owned by the Partnership as an entity, and no partner, individually, shall have any ownership of such property. The Partnership may hold any of its assets in its own name or in the name of its nominee, which nominee may be one or more individuals, partnerships, trusts or other entities.

## ARTICLE II

### CAPITAL CONTRIBUTIONS, PROFITS AND LOSSES

2.01 Capital Contributions. The General Partner and the Limited Partners have each contributed to the capital of the Partnership, the amount set forth in Schedule "C". As used herein, the phrase "Capital Contribution" means the sum of all amounts contributed to the capital of the Partnership by a partner. No interest shall accrue on Capital Contributions, and no partner shall have the right to withdraw or to be repaid his or its Capital Contribution, except as specifically provided in this Agreement.

2.02 Capital Accounts. A separate capital account shall be maintained for each partner. There shall be credited to each partner's capital account the amount of any contribution of capital made by him or it and such partner's share of the net profits of the Partnership, and there shall be charged against each partner's capital account the amount of all distributions to such partner and such partner's share of the net losses of the Partnership.

2.03 Profits and Losses; Distribution of Net Proceeds of Sales.

(a) The net profits and the net losses of the Partnership for any fiscal year shall be allocated among the partners in the percentages shown as their respective Percentage Interests in Profits and Losses as set forth in Schedule "C".

(b) Any gain arising from a sale or other disposition of all or any part of the property shall be allocated to the partners in proportion to their respective percentage interests in Profits and Losses as set forth in Schedule "C".

(c) The respective interests of the partners in the net profits and net losses of the Partnership shall remain as set forth above unless changed by amendment to this Agreement or by an assignment of an interest in the



Partnership authorized by the terms of this Agreement. Net profits and net losses, shall, for both Partnership accounting and tax purposes, be net profits and net losses as determined for reporting on the Partnership's federal income tax return. For tax purposes, all items of depreciation, gain, loss, deduction or credit shall be allocated to and among the partners in the same percentages in which the partners share net profits and losses.

### ARTICLE III

#### CASH DISTRIBUTION

3.01 Definitions. For purposes of this Agreement:

(a) "Net proceeds of any sale of the Property" means the excess of all cash receipts arising from a sale of all or any portion of the Property over the sum of: (i) the amount of cash disbursed or to be disbursed in connection with or as an expense of such sale; (ii) the amount necessary for the payment of all debts and obligations of the Partnership arising from or otherwise related to such sale or to which the Property is subject and which are then to be paid, including, but not limited to, bank mortgages, engineering fees, sales commissions, interest, utilities, and other so-called "soft costs"; and (iii) any amounts set aside by the General Partner for the reserves described in subsection (c)(iv) below.

(b) "Net proceeds of financing" means the gross proceeds of any borrowing by the Partnership less the sum of: (i) any amounts used to repay then existing loans of the Partnership then due; (ii) all expenses of such borrowings including, without limitation, all commitment fees and attorneys fees; (iii) all amounts paid to improve the property or for any other purpose in order to satisfy conditions to or established in connection with such borrowings; and (iv) reasonable reserves established by the General Partner for working capital, contingent liabilities, replacement, for any of the expenditures described in subsections (i), (ii) and (iii) above, or as otherwise deemed by the General Partner as necessary to meet the current and anticipated future needs of the Partnership.

(c) "Net cash flow" means, with respect to any fiscal period, the sum of all cash receipts of the Partnership from rents, lease payments and any and all other sources (excluding net proceeds of any sale of the Property and net proceeds of financings), less the sum of the following amounts: (i) cash disbursements for insurance, real estate taxes, legal expenses, sales or brokerage commissions, management expenses, utilities, repairs and maintenance, accounting, statistical or bookkeeping services or equipment, salaries, advertising

and promotion, and any and all other items which are customarily considered to be "operating expenses"; (ii) payments of interest, principal and premium under any loans incurred in connection with the Property or any mortgages or deeds of trust encumbering the Property; (iii) payments made for capital construction, acquisitions, alterations or improvements; and (iv) reasonable reserves established by the General Partner for working capital, contingent liabilities, replacement for any of the expenditures described in subsections (i), (ii) and (iii) above, or as otherwise deemed by the General Partner as necessary to meet the current and anticipated future needs of the Partnership.

3.02 Distribution of Net Cash Flow. Net cash flow, to the extent available, shall be distributed from time to time in the discretion of the General Partner, to and among the partners in the following order of priority:

(a) First, any amount owed to any partners pursuant to Section 4.02 hereof shall be paid to them, pro rata in accordance with the amount then owed to each of them, any such payment to be applied first against accrued interest.

(b) Second, all remaining net cash flow shall be distributed to and among the partners in proportion to their then respective Percentage Interest in Profits and

Losses of the Partnership as set forth in paragraph 2.03(a) of Article II.

3.03 Distribution of Net Proceeds and Financings. The net proceeds of any sale of the Property and the net proceeds of financing shall be distributed to and among the partners in the following amounts and order of priority:

(a) First, any amounts owed to any partners pursuant to Section 4.02 hereof shall be paid to them pro rata in accordance with the amount then owed to each of them, any such payment to be applied first against accrued interest.

(b) Second, all remaining net proceeds shall be distributed to and among the partners in proportion to their respective percentage interest in any gain from the sale of the Property as set forth above in Section 2.03(b) of Article II.

#### ARTICLE IV

#### MANAGEMENT

#### 4.01 Management of the Partnership.

(a) The overall management and control of the business and affairs of the Partnership shall be vested exclusively in the General Partner. In clarification and not in limitation or expansion of the preceding sentence, the General Partner shall have the power and authority on

behalf of and in the name of the Partnership: (i) to subdivide, improve and develop the Property and in connection therewith to borrow money on behalf of the Partnership and, as security therefor, to mortgage, pledge or otherwise encumber the assets of the Partnership; (ii) subject to Sections 3.02 and 3.03, to cause to be paid on or before the due date thereof all amounts due and payable by the Partnership to any person or entity; (iii) to employ such agents, employees, managers, accountants, attorneys, consultants and other persons necessary or appropriate to carry out the business and affairs of the Partnership, including itself, and whether or not any such persons so employed are affiliated or related to any partner, and to pay such fees, expenses, salaries, wages and other compensation to such person as it shall in its sole discretion determine; (iv) to pay, extend, renew, modify, adjust, submit to arbitration, prosecute, defend or compromise, upon such terms as it may determine and upon such evidence as it may deem sufficient any obligation, suit, liability, cause of action or claim, including taxes, either in favor of or against the Partnership; (v) to pay any and all fees and to make any and all expenditures which the General Partner, in its sole discretion, deems necessary or appropriate in connection with the organization of the Partnership, the

management of the affairs of the Partnership and the carrying out of its obligations and responsibilities under this Agreement; (vi) to cause the construction and completion of all development work which is deemed appropriate, at her sole discretion; (vii) to cause to be obtained and continued in force all policies of insurance required by any mortgage, lease or other agreement relating to the Property or any part thereof; (viii) to cause to be paid any and all taxes, charges and assessments that may be levied, assessed or imposed upon any of the assets of the Partnership, unless the same are contested by the General Partner; and (ix) except as provided otherwise herein, to lease, sell, or refinance all or any portion of the Property.

(b) With respect to all of its obligations, powers and responsibilities under this Agreement, the General Partner is authorized to execute and deliver, for and on behalf of the Partnership such notes and other evidences of indebtedness, contracts, agreements, assignments, deeds, leases, loan agreements, mortgages and other security instruments and agreements as it deems proper, all on such terms and conditions as it deems proper.

4.02 Loans by Partners to the Partnership. In the event the Partnership's funds are insufficient to meet its

costs, expenses, obligations, liabilities and charges, or to make any expenditure authorized by this Agreement, and additional funds are not available from third parties on terms acceptable to the General Partner in its sole discretion the partners may (but shall not be required to) advance such funds to the Partnership. All amounts so advanced shall take the form of a loan and shall bear interest at the minimum rate then required for such a loan necessary to avoid the imputation of interest pursuant to the Below Market Interest Rate Provisions of §7872 of the Internal Revenue Code, or any other provisions of the Code relating to imputed interest on borrowings between stockholders and corporations or partners and partnerships. All partners shall be given a reasonable opportunity to participate in any such advance in proportion to their then respective interests in the net gain from any sale of the Property. Such loans will be repaid out of net cash flow and net proceeds of any financing pursuant to Sections 3.02 and 3.03 hereof prior to any other distributions to the partners.

4.03 Service of General Partner. During the existence of the Partnership, the General Partner shall devote such time and effort to the Partnership business as it deems necessary to promote adequately the interests of the Partnership and the mutual interests of the partners;

however, it is specifically understood and agreed that the General Partner shall not be required to devote time to Partnership business except to the extent which it deems necessary, and that the General Partner may at any time and from time to time engage in and possess interests in other business ventures of any and every type and description, including, without limitation, the ownership, improvement, operation, leasing, financing and management of real estate, independently or with others, and neither the Partnership nor any partner shall by virtue of this Agreement have any right, title or interest in or to such independent ventures.

4.04 Liability of the General Partner:  
Indemnification. No General Partner shall be liable, responsible or accountable in damages or otherwise to the Partnership or any of the Limited Partners for any act or omission performed or omitted by it in good faith on behalf of the Partnership and in a manner reasonably believed by it to be within the scope of the authority granted to it by this Agreement and in the best interests of the Partnership if it shall not have been guilty of gross negligence or willful misconduct with respect to such acts or omissions. A General Partner shall be indemnified by the Partnership for any act performed by it within the scope of the authority conferred upon it by



this Agreement; provided, however, such indemnity shall be payable only if the General Partner (a) acted in good faith and in a manner it reasonably believed to be in, or not opposed to, the best interests of the Partnership and the partners, and (b) had no reasonable grounds to believe that its conduct was negligent or unlawful. No indemnification may be made in respect of any claim, issue or matter as to which the General Partner shall have been adjudged to be liable for negligence or misconduct in the performance of its duty to the Partnership unless, and only to the extent that, the court in which such action or suit was brought determines that in view of all the circumstances of the case, despite the adjudication of liability for negligence or misconduct, the General Partner is fairly and reasonably entitled to indemnity for those expenses which the court deems proper. Any indemnity under this Section 4.04 shall be paid from, and only to the extent of, Partnership assets, and no Limited Partner shall have any personal liability on account thereof.

4.05 Limitations on Limited Partners. No Limited Partner shall: (a) be permitted to take part in the control of the business or affairs of the Partnership; (b) except as otherwise specifically provided herein, have any voice in the management or operation of any Partnership

property; or (c) have the authority or power in his capacity as a Limited Partner to act as agent for or on behalf of the Partnership or any other partner, to do any act which would be binding on the Partnership or any other partner, or to incur any expenditures on behalf of or with respect to the Partnership. No Limited Partner shall be required to personally guaranty loans to the Partnership.

4.06 Liability of Limited Partners. Except as otherwise provided herein, so long as he complies with the provisions of Section 4.05, the liability of each Limited Partner for the losses, debts and obligations of the Partnership shall be limited to his Capital Contribution and his share of any undistributed net profits.

4.07 Certain Expenses. All out-of-pocket expenses incurred by the General Partner in connection with the Partnership's business shall be paid by the Partnership or reimbursed to the General Partner by the Partnership.

#### ARTICLE V

##### BOOKS, RECORDS AND BANK ACCOUNTS

5.01 Books and Records. The General Partner shall keep just and true books of account with respect to the operations of the Partnership. Such books shall be maintained at the principal place of business of the Partnership, or at such other place as the General Partner shall determine, and all partners, and their duly

authorized representatives, shall at all reasonable times have access to such books.

5.02 Accounting Basis and Fiscal Year. Such books shall be kept on the cash method of accounting, or on such other method of accounting as the General Partner may from time to time determine, and shall be closed and balanced at the end of each Partnership year. The same method of accounting shall be used for both Partnership accounting and tax purposes. The fiscal year of the Partnership shall be the calendar year.

5.03 Reports. Within 90 days after the end of each fiscal year, the General Partner shall cause to be prepared and sent to each person who was a partner at any time during the fiscal year then ended a financial report of the Partnership, including a balance sheet and a profit and loss statement, and, if such profit and loss statement is not prepared on a cash basis, a cash flow source and application of funds statement. Also within such 90-day period, the General Partner shall furnish each partner to file with his federal income tax return, any required state income tax return and any other reporting or filing requirements imposed by any governmental agency or authority all necessary tax information. The cost of all such reporting shall be paid by the Partnership as a Partnership expense. Any partner may, at any time, at his

own expense, cause an audit of the Partnership books to be made by a certified public accountant of his own selection.

5.04 Bank Accounts. The General Partner shall be responsible for causing one or more accounts to be maintained in a bank (or banks) which is a member of the F.D.I.C., which accounts shall be used for the payment of the expenditures incurred by the General Partner in connection with the business of the Partnership, and in which shall be deposited any and all cash receipts. All such amounts shall be and remain the property of the Partnership, and shall be received, held and disbursed by the General Partner for the purposes specified in this Agreement. There shall not be deposited in any of said accounts any funds other than funds belonging to the Partnership, and no other funds shall in any way be commingled with such funds.

#### ARTICLE VI

##### RESTRICTIONS; ASSIGNABILITY of INTERESTS

###### ADDITIONAL LIMITED PARTNERS

6.01 Substitution and Assignment of a Limited Partner's Interest.

(a) A Limited Partner may not sell, transfer, assign, pledge, or otherwise dispose of all or any part of his interest in the Partnership (whether voluntarily, involuntarily or by operation of law) unless all of the

following conditions shall have been satisfied: (i) the General Partner and all of the Limited Partners shall have previously consented to such assignment in writing, the granting or denying of which consent shall be in the General Partner's and the remaining Limited Partners' absolute discretion; (ii) no such assignment shall be made which, in the opinion of counsel to the Partnership, may result in the termination of the Partnership for purposes of Section 708 of the Code; (iii) no such assignment shall be made if, in the opinion of counsel to the Partnership, such assignment may not be effected without registration under the Securities Act of 1933, as amended, or would result in the violation of any applicable state securities laws; (iv) the Partnership shall not be required to recognize any such assignment until the instrument conveying such interest has been delivered to the General Partner for recordation of the books of the Partnership; and (v) unless an assignee becomes a substituted limited partner in accordance with the provisions set forth below, he shall not be entitled to any of the rights granted to a Limited Partner hereunder, other than the right to receive all or part of the share of the net profits, net losses, cash distributions or returns of capital to which her assignor would otherwise be entitled.

Nothing contained in this paragraph 6.01, however, shall prevent the interest, or any portion thereof, of any Limited Partner from being transferred by gift or inter vivos trust, to or for the benefit of the Limited Partner's issue (said term to be inclusive of legally adopted children); but in respect to transfer by way of gift or inter vivos trust, the transferee shall not be entitled to any of the rights granted to a Limited Partner hereunder other than the right to receive all or part of the share of net profits, net losses, cash distribution or returns of capital to which the transferor would otherwise be entitled.

(b) An assignee of the interest of a Limited Partner, or any portion thereof, shall become a substituted limited partner entitled to all the rights of a Limited Partner if, and only if: (i) the assignor gives the assignee such right; (ii) the General Partner and the remaining Limited Partners consent to such substitution, the granting or denying of which consent shall be in the General Partner's and the remaining Limited Partners' absolute discretion; (iii) the assignee pays to the Partnership all costs and expenses incurred in connection with such substitution, including specifically, without limitation, costs incurred in amending the Partnership's then current Certificate of Limited Partnership; and (iv)

the assignee executes and delivers such instruments, in form and substance satisfactory to the General Partner, as the General Partner may deem necessary or desirable to effect such substitution and to confirm the agreement of the assignee to be bound by all of the terms and provisions of this Agreement.

(c) The Partnership and the General Partner shall be entitled to treat the record owner of any Partnership interest as the absolute owner thereof in all respects, and shall incur no liability for distributions of cash or other property made in good faith to such owner until such time as a written assignment of such interest has been received and accepted by the General Partner and recorded on the books of the Partnership. The General Partner may refuse to accept an assignment until the end of the next successive quarterly accounting period. In no event shall any Partnership interest, or any portion thereof, be sold, transferred or assigned to an incompetent, and any such attempted sale, transfer or assignment shall be void and ineffectual and shall not bind the Partnership or the General Partner.

6.02 Substitution and Assignment of the General Partner's Interest. The General Partner shall have the right, in its sole discretion, to sell, transfer, assign,

pledge or otherwise dispose of all or any part of its interest in the Partnership.

## ARTICLE VII

### DISSOLUTION AND TERMINATION

#### 7.01 Events of Dissolution.

(a) The Partnership shall continue in full force and effect until December 31, 2020, except that the Partnership shall be dissolved prior thereto upon the happening of any of the following events: (i) an election to dissolve the Partnership made in writing by all partners; (ii) upon the occurrence of an event specified under the laws of the State of Rhode Island as one effecting dissolution; (iii) upon the death or withdrawal of the General Partner, or upon the filing by the General Partner of a voluntary petition in bankruptcy or upon an adjudication of the General Partner as bankrupt or insolvent, or upon the filing by the General Partner of any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for itself under the present or any future federal Bankruptcy Act or any other present or future applicable federal, state or other statutory law regarding bankruptcy, insolvency or other relief for debtors, or the General Partner's seeking, or consenting to, or acquiescing in the appointment of all or any



substantial portion of its property or of its interest in the Partnership; and (iv) upon the sale of all or substantially all of the Partnership assets.

(b) Notwithstanding the occurrence of an event specified in Section 7.01(a)(ii) or (iii), the Partnership shall not be dissolved and its business and affairs shall not be discontinued, and the Partnership shall remain in existence as a limited partnership under the laws of the State of Rhode Island, if all of the Limited Partners elect promptly after such occurrence to continue the Partnership and the Partnership business. If such election is made by all of the Limited Partners, they shall also choose a substitute General Partner, who shall become a General Partner upon acquiring interests in the Partnership representing a Percentage Interest in Profits and Losses which is not less than one percent within ninety days of such election.

(c) Dissolution of the Partnership shall be effective on the day on which the event occurs giving rise to the dissolution, but the Partnership shall not terminate until the Partnership's Certificate of Limited Partnership shall have been cancelled and the assets of the Partnership shall have been distributed as provided herein. Notwithstanding the dissolution of the Partnership, prior to the termination of the Partnership,

as aforesaid, the business of the Partnership and the affairs of the partners, as such, shall continue to be governed by this Agreement. Upon dissolution, the General Partner or, if there be none, a liquidator appointed by a majority in interest of the Limited Partners shall liquidate the assets of the Partnership, apply and distribute the proceeds thereof as contemplated by this Agreement and cause the cancellation of the Partnership's Certificate of Limited Partnership.

7.02 Distributions Upon Liquidation.

(a) After payment of liabilities owing to creditors, the General Partner or liquidator shall set up such reserves as they or it deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Partnership. Said reserves may be paid by the General Partner or liquidator to a bank, to be held in escrow for the purpose of paying such contingent or unforeseen liabilities or obligations and, at the expiration of such period as the General Partner or liquidator may deem advisable, such reserves shall be distributed to the partners or their assigns in the manner set forth in subsection (b) below.

(b) After paying such liabilities and providing for such reserves, the General Partner or liquidator shall cause the remaining net assets of the Partnership to be

distributed to and among the Partners in the manner set forth in Section 3.03 hereof relating to distributions of net proceeds of any financings. In the event that any part of such net assets consists of notes or accounts receivable or other non-cash assets, the General Partner or liquidator shall take whatever steps he or it deems appropriate to convert such assets into cash or into any other form which would facilitate the distribution thereof. If any assets of the Partnership are to be distributed in kind, such assets shall be distributed on the basis of their then fair market value.

#### ARTICLE VIII

##### DEATH OF A LIMITED PARTNER

8.01 In the event that a Limited Partner shall die ("Deceased Limited Partner"), the legal representative of his estate shall be obligated to sell, and the Surviving Limited Partner(s) shall be obligated to purchase all of the Deceased Limited Partner's interest in the Partnership owned by him at the time of death. All of said interests required to be sold and purchased under this paragraph are hereinafter referred to as "Deceased Limited Partner's interest in the Partnership". The purchase price for the Deceased Limited Partner's interest in the Partnership, to be purchased from the Deceased Limited Partner's estate, shall be that sum, if any, by which the tax burden upon

the Deceased Limited Partner's estate is increased due to the transfer of said Deceased Limited Partner's partnership interest for both federal and state transfer tax purposes.

8.02 Within 60 days after the appointment of the legal representative of the Deceased Limited Partner, such representative shall give written notice to the Surviving Limited Partner which shall state the fact that, and the date upon which, the Deceased Limited Partner died and shall fix a date and time ("Closing Date") as the date for the closing of the purchase of the Deceased Limited Partner's interest in the Partnership which shall not be less than 90 nor more than 120 days after the giving of such notice. If such legal representative shall fail to give such notice, the Closing Date shall be the 120th day following such appointment.

8.03 On the Closing Date the Surviving Limited Partners shall pay to the legal representative of the Deceased Partner an amount equal to the greater of (a) the proceeds of any insurance on the life of the Deceased Limited Partner payable to the Surviving Limited Partners or (b) 10% of the purchase price for the Deceased Limited Partner's Interest in the Partnership, either in cash or by certified or bank check. The balance of the purchase price, if any, shall be paid over a period of three years,

in equal consecutive quarterly installments commencing three months following the Closing Date, with interest on the unpaid balance at the rate of 9% per annum, and the Surviving Limited Partners shall issue a promissory note to that effect.

8.04 The Surviving Limited Partners shall have the privilege of prepaying any or all the unpaid installments of the purchase price of the Deceased Limited Partner's Interest in the Partnership at any time without penalty, but with interest thereon to the date of payment, upon ten days prior written notice to the legal representative of the Deceased Limited Partner.

8.05 The provisions of paragraph 8.01, 8.02, 8.03 and 8.04 hereof notwithstanding, in the event that a Limited Partner shall die having prior thereto transferred all or any portion of his interest in the Partnership to his issue then the same shall remain the property of his issue, or in the event that such whole or partial transfer shall be provided for in the testamentary disposition or intestacy laws to which the deceased Limited Partner's estate is subject, then said partnership interests shall remain or become, as the case may be, the property of his issue, and shall not be subject to any mandatory resale or redemption.

8.06 In the event that, upon the death of a Limited Partner, there shall be no Limited Partners remaining, then this Partnership shall continue in full force and effect, unless the surviving General Partner shall determine to terminate the same.

ARTICLE IX

MISCELLANEOUS

9.01 Addition of General Partners. All provisions hereof notwithstanding any Limited Partner may, upon the written consent of all Limited and General Partners, become a General Partner hereof, and the term General Partner as used herein shall be deemed to refer to the General Partner or General Partners from time to time serving.

9.02 Notices. Any and all notices, elections or demands permitted or required to be made under this Agreement shall be in writing, signed by the partner giving such notice, election or demand and shall be delivered personally, or sent by registered or certified mail, return receipt requested, to the other partner or partners, at his or its address set forth in the Partnership's Certificate of Limited Partnership, or at such other address as may be supplied by written notice given in conformity with the terms of this Section 9.01.

The date of personal delivery or the date of mailing, as the case may be, shall be the date of such notice.

9.03 Successors and Assigns. Subject to the restrictions on transfer set forth herein, this Agreement, and each and every provision hereof, shall be binding upon and shall inure to the benefit of the partners, their respective successors, successors-in-title, heirs and assigns, and each and every successor-in-interest to any partner, whether such successor acquires such interest by way of gift, purchase, foreclosure, or by any other method, shall hold such interest subject to all of the terms and provisions of this Agreement.

9.04 Amendment. No change, modification or amendment of this Agreement shall be valid or binding unless such change, modification or amendment shall be in writing, consented to and duly executed by the General Partner and by all of the Limited Partners named herein.

9.05 Partition. The partners hereby agree that no partner nor any successors-in-interest to any partner, shall have the right while this Agreement remains in effect to have the property of the Partnership partitioned, or to file a complaint or institute any proceeding at law or in equity to have the property of the Partnership partitioned, and each partner, on behalf of himself, his successors, representatives, heirs and

assigns, hereby waives any such right. It is the intention of the partners that during the term of this Agreement, the right of any Partner or successor-in-interest to assign, transfer, sell or otherwise dispose of his interest in the property shall be subject to the limitations and restrictions of this Agreement.

9.06 No Waiver. The failure of any partner to insist upon strict performance of a covenant hereunder or of any obligation hereunder, irrespective of the length of time for which such failure continues, shall not be a waiver of such partner's right to demand strict compliance in the future. No consent or waiver, express or implied, to or of any breach or default in the performance of any obligation hereunder, shall constitute a consent or waiver to or of any other breach or default in the performance of the same or any other obligation hereunder.

9.07 Entire Agreement. This Agreement constitutes the full and complete agreement of the parties hereto with respect to the subject matter hereof.

9.08 Captions. Titles or captions of Articles or Sections contained in this Agreement are inserted only as a matter of convenience and for reference, and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision hereof.



9.09 Counterparts. This Agreement may be executed in a number of counterparts, all of which together shall for all purposes constitute one Agreement, binding on all the partners notwithstanding that all partners have not signed the same counterpart.

9.10 Applicable Law. This Agreement and the rights and obligations of the parties hereunder shall be governed by and interpreted, construed and enforced in accordance with the laws of the State of Rhode Island.

IN WITNESS WHEREOF, the partners have executed this Agreement as of the day and date first written above.

GENERAL PARTNER:

C. Walter Steere  
C. WALTER STEERE, Joint  
General Partner

Elaine C. Steere  
ELAINE C. STEERE, Joint  
General Partner

LIMITED PARTNERS:

David W. Steere  
DAVID W. STEERE

C. Walter Steere  
C. WALTER STEERE

Elaine C. Steere  
ELAINE C. STEERE

SCHEDULE "A"

Description of Property

PARCEL B

That land, with all buildings and improvements thereon, shown as Lot B on a certain "Map of Land in the Town of Gloucester Rhode Island owned by Walter Steere, Showing Three Lots As They Were Acquired: Surveyed, Jan. 1984, Alanson St. John Hall R.L.S., drawn by James B. Hall", which plan was recorded September 7, 1990 at 10:30 a.m. as Map No. 367, Hanging File No. 87, in the Land Evidence Records of the Town of Gloucester.

PARCEL C

That land, with all buildings and improvements thereon, shown as Lot C on a certain "Map of Land in the Town of Gloucester Rhode Island owned by Walter Steere, Showing Three Lots As They Were Acquired: Surveyed, Jan. 1984, Alanson St. John Hall R.L.S., drawn by James B. Hall", which plan was recorded September 7, 1990 at 10:30 a.m. as Map No. 367, Hanging File No. 87, in the Land Evidence Records of the Town of Gloucester.

SCHEDULE "B"

Names and Addresses of General and Limited Partners

General Partner

C. Walter Steere and Elaine C. Steere  
Box 822  
Greenville, Rhode Island 02828

Limited Partners

David W. Steere  
Box 822  
Greenville, Rhode Island 02828

C. Walter Steere  
Box 822  
Greenville, Rhode Island 02828

Elaine C. Steere  
Box 822  
Greenville, Rhode Island 02828

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SCHEDULE "C"

Capital Contributions

<u>General Partner</u>	<u>Capital Contribution</u>
C. Walter Steere	\$100
Elaine C. Steere	\$100
<u>Limited Partners</u>	
David W. Steere	\$100
C. Walter Steere	1/2 interest in Parcel B as shown on Schedule A, fair market value equals \$35,000 and 1/2 interest in Parcel C as shown on Schedule A, fair market value \$15,000
Elaine C. Steere	1/2 interest in Parcel B as shown on Schedule A, fair market value equals \$35,000 and 1/2 interest in Parcel C as shown on Schedule A, fair market value \$15,000

Percentage Interests in Profits and Losses

<u>Limited Partners</u>	<u>Percentage</u>
C. Walter Steere	48.999%
Elaine C. Steere	48.999%
David W. Steere	.002%
<u>General Partners</u>	
C. Walter Steere	1%
Elaine C. Steere	1%