

(2) All Partnership assets shall be valued at book value except that the appraised value of machinery, equipment, and real property shall be substituted for book value. The difference between the total appraised value of machinery, equipment, and real property and their total depreciated book value shall increase or decrease the Partner's capital accounts in the proportions of their interests in profits and losses of the Partnership specified in Article VI. The appraised value shall be determined as of the date of sale, death, bankruptcy, legal incompetency, or insolvency of the Partner and shall be made by an appraiser selected by agreement between the continuing Partners and the selling Partner or the personal representative of the deceased, bankrupt, legally incompetent, or insolvent Partner. If they cannot agree on an appraiser, the appraisal shall be made in accordance with the rules of the American Arbitration Association then in effect. No value shall be attributed to Partnership goodwill in the appraisal made under this subsection.

(3) The balance in the drawing account of a selling, deceased, bankrupt, legally incompetent, or insolvent Partner is to be treated as an obligation of the Partnership to the Partner or an obligation of the Partner to the Partnership. Any amount owed, whether to the Partner or to the Partnership, as reflected in the drawing account of a selling, deceased, bankrupt, legally incompetent, or insolvent Partner, shall be paid in the same manner as set forth in Paragraph (1) of Article XIII.

(4) The Parties and their assigns and successors in interest agree that they will proceed as expeditiously as possible in determining the value of the interest of the selling, deceased, bankrupt, legally incompetent, or insolvent Partner.

ARTICLE XIII

TERMS OF PAYMENT TO A SELLING, DECEASED, BANKRUPT, LEGALLY INCOMPETENT, OR INSOLVENT PARTNER

(1) When a Partner sells, payments for the value of his interest in the Partnership, as determined under Article XII shall be made in such manner as is agreed to between the parties.

(2) When a Partner dies, becomes insolvent, bankrupt, or is declared legally incompetent, payment for the value of his interest in the Partnership, as determined under Article XII shall be made in such manner as is agreed to between the parties.

(3) If the value of the interest of a selling, deceased, bankrupt, legally incompetent or insolvent Partner, under Article XII has not been determined at the time specified for the making of any of the payments called for in this Article, payment shall be made in an estimated amount.

(4) It is the intention of the parties that all amounts payable under this Article to a selling Partner, to the successor in interest of a deceased Partner, or to a bankrupt, legally incompetent, or insolvent Partner, shall constitute payment for the interest of the Partner in Partnership property. The payments shall be considered a distribution of a Partnership property under 736(b) of the Internal Revenue Code and not a payment of income under Section 736(a) of the Internal Revenue Code.

ARTICLE XIV

SALARIES

No Partner shall receive any salary for services rendered to the Partnership unless previously agreed to by a unanimous vote of all the Partners.

ARTICLE XV

MISCELLANEOUS PROVISIONS

(1) This agreement constitutes the entire agreement among the parties. It supersedes any prior agreement or understanding among them, and it may not be modified or amended in any manner other than as set forth herein.