

priority as provided by law except any claims of secured creditors whose obligations will be assumed or otherwise transferred on the liquidation of the Partnership assets;

(b) to the payment of any loans to the Partnership by any Partner;

(c) to the reimbursement of unpaid charges or advances for which the General Partners are entitled to reimbursement by reason of their management of the Partnership as herein provided;

(d) to the setting up of any reserves which the General Partners deem reasonably necessary for any contingencies or unforeseen liabilities or obligations of the Partnership. Such reserves shall be paid over by the General Partners to an escrow agent or shall be held for the purpose of disbursing such reserves in payment of any of the aforementioned contingencies, and at the expiration of such period as the General Partners shall deem advisable, the balance thereof shall be distributed in the manner and order provided in this Paragraph; and

(e) to the Partners in accordance with the provisions of Paragraph 10.1 hereof.

11.3 TIME. A reasonable time, as determined by the General Partners not to exceed one year from the date of an event of dissolution, shall be allowed for the orderly liquidation of assets of the Partnership and the discharge of its liabilities.

11.4 STATEMENT OF DISSOLUTION. Each of the Partners shall be furnished by the General Partners with a statement prepared by a Certified Public Accountant which shall set forth the assets and liabilities of the Partnership as of the date of complete liquidation and distribution as herein provided. Such statement shall also schedule the receipts and disbursements made with respect to the dissolution under this Article.

11.5 CERTIFICATE OF CANCELLATION. Upon the completion of dissolution in accordance with the terms hereof, the Limited Partnership shall terminate and the General Partners shall execute, acknowledge and cause to be filed a Certificate of Cancellation of the Partnership whereupon it will cease to exist in all respects.

11.6 LIQUIDATING TRUSTEE. In the event of dissolution of the Partnership, liquidation of the assets of the Partnership and discharge of its liabilities may be carried out by a liquidating trustee or receiver, who shall be a bank or trust company or other person or firm having experience in managing, liquidating or otherwise handling property of the type then owned by the Partnership. Such liquidating trustee or receiver may be designated by Partners holding a majority of the then outstanding profit interest in the Partnership, or if the Partners fail to make such designation, by the General Partners.

ARTICLE XII

ACCOUNTING AND REPORTS

12.1 BOOKS AND RECORDS. The General Partners shall

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