

1138-441

this section, shall be the valuation of the partnership interest of the withdrawing or deceased partner.

Section 12.4 Option of Continuing Partners to Purchase Interest

The continuing partners shall have the option to cause the partnership to liquidate the interest of the withdrawing or deceased partner, provided that the estate of the deceased partner has elected to sell the deceased partner's interest as provided in Section 10.5, at the valuation determined under either Section 12.1 or Section 12.2. The option shall be exercised contemporaneously with the reaching of an agreement under Section 12.1 or within thirty (30) days after the determination of value by arbitration under Section 12.2.

Section 12.5 Alternatives if Option to Purchase is Not Exercised

If the continuing partners do not exercise their option to cause the partnership to liquidate the interest of the withdrawing or deceased partner under Section 12.4, the partnership shall be dissolved, its operations wound up, its assets liquidated, and the proceeds from liquidation distributed as provided in Article XVI. In the case of the death of a partner, in lieu of the dissolution and liquidation of the partnership as provided in this section, the surviving partner and the successor in interest of the deceased partner may agree on a continuation of partnership operations on mutually determined terms and conditions.

ARTICLE XIII

TERMS OF PAYMENT TO A RETIRING, DECEASED OR EXPELLED PARTNER

Section 13.1 Payments to a Retiring Partner

When a partner retires, payment for the value of his interest in the partnership, as determined under

