

proceed with reasonable promptness to liquidate the business and assets of the partnership.

15. Liquidation. The partnership shall be dissolved and terminated:

- A. Upon the agreement of the partners; or
- B. Upon the retirement, death, dissolution, bankruptcy or incompetency of a partner, unless the remaining or surviving partners exercise their right to purchase the interest of the retiring, deceased, dissolved, bankrupt or incompetent partner pursuant to the provisions of this Agreement.

Upon any such dissolution and termination, the partners shall promptly liquidate the affairs of the partnership by discharging all debts and liabilities of the partnership, and by distributing all remaining assets, in cash or in kind, or partly in cash and partly in kind, to the partners or their representatives in the ratios of their respective capital accounts on the date of dissolution and termination.

In settling accounts between partners after dissolution the following rules shall be observed:

- A. The assets of the partnership are:
 - (1) The partnership property; and
 - (2) The contribution of the partners necessary for the payment of all the liabilities specified in Item B below;
- B. The liabilities of the partnership shall rank in order of payment as follows:
 - (1) Those owing to creditors other than partners;
 - (2) Those owing to partners other than for capital and profits;
 - (3) Those owing to partners in respect of capital; and
 - (4) Those owing to partners in respect of profits;
- C. The assets shall be applied in order of their declaration in subparagraph A above to the satisfaction of the liabilities;
- D. The partners shall contribute according to their respective shares in the profits, the amount necessary to