

5. PARTNERSHIP PROPERTY AND OWNERSHIP

Partnership Property shall consist of all property and assets acquired by purchase or otherwise on account of the Partnership, and property and assets acquired with Partnership funds. Personal property and assets of the partners, although used in the business, are not property of the Partnership unless such property appears on the books of the Partnership.

Each property, business enterprise or business venture purchased, developed or acquired may be owned in different proportions by the partners. In cases where the proportion of ownership differs from the proportion of ownership of properties or businesses already owned by the partners, a separate set of books will be maintained and all funds, revenues and expenses will be accounted for separately.

Each partner's share of ownership of Partnership property and assets shall be determined by his Capital Account on the books for that particular property. Each partner's percentage of ownership shall be in the same proportion as the amount of his Capital Account is to the sum of the amounts of all Capital Accounts for that property or asset.

The percent ownership of each property shall be determined at the time of purchase by the percent of initial investment made by each partner in that particular property. It is agreed however, that any partner may sell, swap or otherwise transfer any or all of his interest in any partnership property to either of the other partners on any terms mutually agreeable to the partners between which the transfer is to be made.

6. LIABILITIES OF THE PARTNERS

Each partner shall be liable for any losses, partnership deficits or partnership liabilities in proportion to his share of ownership of the property incurring a liability, deficit or loss as determined by his share of the Capital Account on the books of that property.

7. RIGHTS OF THE PARTNERS

Each partner may individually represent and bind the Partnership in all matters except the following, which mutual agreement of all the partners shall be required:

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