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term of this Unit, on or before 90 days after the close of each fiscal year, that portion of the Surplus Funds actually received by the Partnership as of the end of the preceding fiscal year and which results from sale (but not including refinancing) of Partnership assets during such year, up to the amount of total net economic gain, if any, realized with respect to all Partnership assets sold during such year (total gains realized from the sales measured according to generally accepted accounting principles less the gain attributable to cumulative depreciation, loan premiums, or loan discounts, less total economic losses, if any, realized from the sales), and calculated on the net basis of all such sales during the year collectively, shall be specifically distributed to the Limited Partners in the ratio which the number of Units owned by each of them for the number of weeks owned by them bears to the total number of Units owned by all of them for the total number of weeks as of the end of the preceding fiscal year, without regard to capital accounts. That portion of Surplus Funds not subject to such special allocation as provided above shall be distributed in increments of \$100 per Unit as described above solely on the basis of number of Units owned without regard to the time such Units have been owned or the capital accounts but giving effect to all prior distributions of Distributable Cash from Operations, Distributions, and Surplus Funds, as follows:

(i) First, to the Limited Partners an amount which, when added to all prior distributions of Distributable Cash from Operations, Distributions and Surplus Funds theretofore received, equals one hundred percent (100%) of their Capital Contributions together with a sum equal to a twelve percent (12%) per annum cumulative return on their Invested Capital.

(ii) Second, such Surplus Funds shall be distributed to the Limited Partners and General Partners as follows: to the General Partners, fourteen percent (14%) of all Surplus Funds which exceed one hundred percent (100%) of the Limited Partners' Capital Contributions; and, to the Limited Partners, the balance of available Surplus Funds.

X. No Limited Partner has a right to sell, transfer, encumber, assign or otherwise dispose of, by operation of law or otherwise, the whole or any part of his interest in the Partnership except by written instrument satisfactory in form to the General Partners, accompanied by such assurances of the genuineness and effectiveness of each such signature and the obtaining of any governmental approval, if any, as may be reasonably required by the General Partners, and unless certain other conditions are satisfied. Such other conditions require, among other things, that: (i) the assignment or transfer, when considered with all other assignments and transfers during the twelve (12) months prior to transfer, would not cause a termination of the Partnership for federal or any applicable state income tax purposes; (ii) no less than six (6) Units (ten (10) Units in Missouri) may be transferred, except for transfers by gift or inheritance, intrafamily transfers, family dissolutions and transfers to affiliates; and (iii) if necessary, the consent of the Commissioner of Corporations of the State of California be obtained. No assignee of the whole or any portion of a Limited

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