

RECORDER'S CERTIFICATE OF LIMITED PARTNERSHIP

I, Lilly Palmer <sup>DEC 5 9 15 AM '84</sup> Deputy State County Recorder  
of Minidoka County, Idaho, do hereby certify that the  
attached Certificate of Limited Partnership of Kings of Rupert  
\_\_\_\_\_ was filed in the office of the County  
Recorder of Minidoka County, Idaho, on the 4th day of December,  
19 70 at 3:48 P.M., Instrument No. 213269.

This Certificate is executed at the request of the  
named Partnership to enable it to provide the Secretary of State  
a copy of the Certificate of Limited Partnership for filing,  
pursuant to Idaho Code 53-267.

There have been no amendments to the Certificate of  
Limited Partnership filed in this office.

DATED this 13th day of November, 19 84.

*Lilly Palmer* Deputy  
County Recorder of Minidoka  
County Idaho.

GENERAL PARTNERSHIP

**CERTIFICATE OF LIMITED PARTNERSHIP**

HERMON E. KING

OF

**KINGS OF RUPERT**

LIMITED PARTNERSHIP

The parties hereto do hereby certify that this agreement was made effective as of September 1, 1970, at Burley, Idaho, among HERMON E. KING and RUSSELL H. JENSEN, herein called the General Partners, and the following Limited Partners, to-wit: ALVIN H. STEVENSON, EARL N. JENSEN, DONALD REDFIELD, EDWIN A. ENGERT, HOWARD BROWN, LAUREL INVESTMENT COMPANY, R. H. J. INVESTMENT COMPANY, W. F. B. INVESTMENT COMPANY, CINQUENTA INVESTMENT COMPANY, and NORMAN AND SARAH BAKER TRUST NO. SID-401.

W. F. B. INVESTMENT COMPANY

WITNESSETH:

The parties hereto do hereby form this Limited Partnership pursuant to the provisions of the Uniform Limited Partnership Act of Idaho (53-201-32 ET SEQ), on the following terms and conditions:

**NAME:**

1. The firm name of this Limited Partnership shall be KINGS OF RUPERT.

**BUSINESS:**

2. The general nature of the partnership business shall be to engage in the general mercantile business, both wholesale and retail, and generally to transact and do all manner of business relating thereto.

**PRINCIPAL PLACE OF BUSINESS:**

3. The principal place of business of the partnership shall be in Rupert, Idaho, or at such other place or places as the Partnership shall hereafter determine.

**THE PARTNERS:**

4. The names and places of residence of each member of the Limited Partnership are as follows:

General Partners

Hermon E. King

Russell H. Jensen

Place of Residence

Burley, Idaho

Burley, Idaho

Limited Partners

Alvin H. Stevenson

Earl N. Jensen

Donald Redfield

Edwin A. Engert

Howard Brown

Laurel Investment Company

R. H. J. Investment Company

W. F. B. Investment Company

Cinquenta Investment Company

Norman and Sarah Baker  
Trust No. SID-401Place of Residence

Burley, Idaho

Jerome, Idaho

Rupert, Idaho

Logan, Utah

Burley, Idaho

c/o Hermon E. King  
Burley, Idahoc/o Russell H. Jensen  
Burley, Idahoc/o Wilbur F. Biermann  
Burley, Idahoc/o Marion M. Wood  
Salt Lake City, Utahc/o Hermon E. King  
Burley, IdahoTERMS:

5. The Partnership began business on the 1st day of September, 1970 and shall continue until dissolved by the death, insanity, bankruptcy, retirement, resignation or expulsion or a change in ownership of a General Partner or until dissolved by law or by agreement of the parties hereto.

ORIGINAL CAPITAL:

6. The original capital of this Limited Partnership shall be comprised of Forty Thousand Dollars (\$40,000.00) cash. Each of the parties contributes the percentage of said cash which appears listed opposite their respective names.

General Partners

Hermon E. King

Russell H. Jensen

Percentage of Interest

3%

3%

<u>Limited Partners</u>	<u>Percentage of Interest</u>
"Drawing Account," he Alvin H. Stevenson	2%
Paragraph 4. of the Earl N. Jensen	5%
and he shall pay Donald Redfield	5%
Sixty (60) days after Edwin A. Engert	5%
shall be effective from the date Howard Brown	5%
in an envelope Laurel Investment Company	43%
R. H. J. Investment Company	15%
W. F. B. Investment Company	6%
Cinquenta Investment Company	5%
Norman and Sarah Baker Trust No. SID-401	3%
Drawing partner shall be	
Total	100%
in the manner and as herein	

#### CAPITAL INTEREST ACCOUNTS:

7. Two accounts shall be maintained for each partner, a "Drawing Account" and a "Capital Interest Account." Each partner's "Drawing Account" shall consist of his distributive share of the partnership profits, less losses and withdrawals and less transfers to his "Capital Interest Account." The "Capital Interest Account" of each partner shall be the percentage of the original capital hereinabove set forth opposite his name. Additions to the original "Capital Interest Account" shall be by (1) additional contributions by the partner, and (2) transfers from his "Drawing Account." In no event shall his "Capital Interest Account" be increased by either method without the agreement of all partners.

The original "Capital Interest Account" of each partner may be decreased by (1) distributions in reduction of his "Capital Interest Account," and (2) his share of partnership losses in accordance with the Uniform Limited Partnership Act of Idaho which are in excess of the balance in his "Drawing Account." Any decreased in the "Capital Interest Account" of each partner shall be approved by all partners. In the event a partner has overdrawn

his "Drawing Account," he will be notified in writing at his address as shown in Paragraph 4 hereof or such other address as the parties shall designate in writing and he must pay the amount of such overdraft into the partnership within Sixty (60) days after the effective date of such notice. Said notices shall be effective from the date the same are deposited with the United States Post Office in an envelope properly addressed and with adequate postage.

WITHDRAWAL:

8. A Limited Partner may withdraw from the Partnership without financial detriment upon giving Sixty (60) days' notice in writing to the other partners at their respective addresses as shown in Paragraph 4 hereof. The withdrawing partner shall be paid the fair value of his partnership interest in the manner and as herein determined as of the close of the month in which said sixty days' notice expires. The value of the withdrawing partner's capital interest shall be purchased and paid for by the partnership over a period of ten (10) years in equal annual payments, with interest on the unpaid balance at the rate of 5% per annum.

The value of a Limited Partner's interest in the Partnership shall be determined by appraisal of and an audit of the partnership assets, including good will, if any, as of the date of withdrawal. The audit shall be made by a certified public accountant. In making the appraisal and audit there shall be taken into account, in addition to the appraisal of the partnership assets, the capital account of the withdrawing partner, credits or debits in such partner's drawing account, and such partner's proportionate share of net income or net loss of the Partnership realized to the date of the appraisal and audit unless reflected in the drawing account.

The appraisal and audit shall be made by an appraiser and an auditor selected by the unanimous agreement of all the partners, including the withdrawing partner. All costs of the appraisal and audit shall be borne and paid by the withdrawing Limited Partner. If no unanimous agreement can be made, the appraisal and audit shall be made as provided in Paragraph 19 on Arbitration.

Notwithstanding the foregoing, the General Partners and the withdrawing partner may agree upon a price to be paid.

ASSIGNMENTS:

9. A Limited Partner shall have power to assign his interest in the Partnership. An assignee of a Limited Partner shall not have the right to become a substituted Limited Partner except upon consent of all of the partners.

PROFITS:

10. The partnership books shall be closed promptly at the end of the partnership's accounting year. All annual net profits of this Partnership shall be divided among the General Partners and the Limited Partners in the same proportions as the partner's then capital interest account. In the event of withdrawal of one of the Limited Partners, the remaining partners shall participate in the annual net profits of the Partnership in the same proportion as their then capital interest accounts bear to each other after adjustment to reflect the withdrawal.

WITHDRAWAL OF PROFITS:

11. At the end of each accounting year of the Partnership, each partner shall be entitled to withdraw his distributive share of the profits for that year, provided that no funds may be drawn against the partner's distributive share of the profits earned prior to Ninety (90) days after the close of each accounting year and provided further that after such payment is made the partnership assets are in excess of all liabilities of the Partnership, except liabilities to Limited Partners on account of their contribution and to the General Partners.

Any amount that is withdrawn in excess of the partner's distributive share shall be subject to an interest charge at the rate of 6% per annum from the date that such excess is drawn until date of repayment.

If the share of the profits of any partner are not withdrawn by said partner, said amounts shall not constitute capital contributions to the Partnership unless agreed upon by all of the partners. Any profits not withdrawn by any partner shall not draw interest as loans to the Partnership except upon mutual agreement of all of the partners.

**SALARIES TO GENERAL PARTNERS:**

12. Each of the General Partners shall receive a salary for services to be rendered by him and these salaries shall be treated and deducted as an expense in the determination of all net profits and losses of the business. The amount of the salary to be paid to each of the General Partners shall be reasonable.

**GENERAL PARTNERS:**

13. The General Partners shall have all the rights and powers and be subject to all the restrictions and liabilities of a partner in a partnership without the Limited Partners. Without the written consent or ratification of the Limited Partners, the General Partners shall have no authority to:

- (a) Do any act in contravention of this Certificate of Limited Partnership.
- (b) Do any act which would make it impossible to carry on the ordinary business of the Partnership.
- (c) Confess judgment against the Partnership.
- (d) Possess partnership property or assign his rights in specific partnership property for other than a partnership purpose.
- (e) Admit a person as a General Partner.
- (f) Admit a person as a Limited Partner.

**LIMITED PARTNERS:**

14. A Limited Partner shall become liable as a General Partner if, in addition to the exercise of his rights and powers as a Limited Partner, he takes part in the control of the business.

**DEATH OF A GENERAL PARTNER:**

15. The death, retirement, bankruptcy, resignation, expulsion or insanity of a General Partner or a change in ownership of a General Partner's participating interest shall operate to dissolve this Limited Partnership.

BANKING: with interest on

16. All checks, moneys, rents and other funds received for the Partnership shall be deposited in its name in a partnership account or accounts maintained at such bank or banks as the General Partners shall determine.

BOOKS: The Partnership

17. The partnership books shall be maintained at the principal place of business of the partnership or at such other place as a majority of all General Partners may designate and each General and Limited Partner shall, at all times, have access thereto. The books shall be closed and balanced at the end of each accounting year. Upon demand, a General or Limited Partner shall have true and full information of all things affecting the Partnership and may require a formal accounting of partnership affairs whenever circumstances render it just and reasonable.

DISSOLUTION:

18. Upon the dissolution of the Partnership by reason of the death or withdrawal of a General Partner or for any other reason, the remaining General Partners shall have the right to purchase the deceased or withdrawn partner's interest in the partnership property and to continue the business under the name of KINGS OF RUPERT. The purchase price shall be the amount of the capital account of the deceased or withdrawn partner, adjusted to give effect to his share of the net profits or losses of the Partnership for the fiscal year to the date of death or withdrawal which shall be determined by taking the appropriate fraction of the share of the total accounting year's profits or losses to which the deceased or withdrawn partner would otherwise be entitled, plus his share of the good will of the partnership. The value of the deceased or withdrawing partner's good will in the Partnership shall be determined by an appraisal and audit of the books as outlined in Paragraph 8. Such appraisal and audit shall be paid for by the withdrawing partner or the personal representative of the deceased partner. The purchase price shall



be payable by the Partnership over a period of ten (10) years in equal annual payments, with interest on the unpaid balance at the rate of 5% per annum.

Promptly after dissolution by death or withdrawal, the personal representative of the deceased or the withdrawing partner shall execute and deliver to the Partnership all conveyances and assurances necessary or desirable in vesting in the Partnership all interest of the deceased or withdrawn partner in the Partnership and partnership property in exchange for a contract in the amount due the deceased or withdrawn partner.

The Partnership shall indemnify the estate of the deceased partner or the withdrawn partner from all liabilities growing out of the partnership business after the date of death or withdrawal, except as to those liabilities occasioned by the wrongful act or commission of the deceased or withdrawn partner. If, after the death or withdrawal of a partner, the remaining partners exercise their right to continue the business in lieu of winding up, then from and after the date of the death or withdrawal, the withdrawing partner or the estate of the deceased partner shall not share in the profits or losses of the Partnership, nor have any voice in the management thereof, but shall accept the purchase price computed as hereinabove set forth as payment in full. The next preceding provision shall not be construed as preventing the Partnership from computing the share of the profits or losses due a withdrawn partner or the estate of a deceased partner for a fraction of a year on the basis of the appropriate portion of the full accounting year's profits or losses, it being the intent of the Partnership to avoid the necessity of closing its books before the end of the accounting year.

#### ARBITRATION:


19. All disputes and questions whatsoever which shall arise either during the term of the Partnership or afterward between the partners or their respective representatives or between any of the partners and representatives of the other partner relating to this Agreement or the construction or application thereof or on any account, valuation of assets or liabilities

distributed hereunder or any other matter in any way relating to the partnership business or the rights, duties and liabilities of any person hereunder shall be referred to a single arbitrator, if the parties agree upon him.

In the event the parties cannot agree upon a single arbitrator, then the matter shall be submitted to a board of arbitration to be selected as follows: Each party shall select one arbitrator, and these two arbitrators so chosen shall, within ten days of their appointment, appoint a third arbitrator; and said arbitrators shall, by majority decision, within thirty (30) days determine the matter in dispute. Such determination shall be binding upon the parties.

In the event either party is dissatisfied with the value or other matter so determined by arbitration, then resort may be had to the courts to determine the value or other matter in dispute; provided, however, that the action must be commenced within forty-five (45) days after the time of the receipt of the notice of said determination of value or other matter in dispute by arbitration. In the event no court proceedings are filed within the said 45 days, then the determination of the board of arbitration shall become final and binding upon the parties, their heirs and representatives. All expenses of appraisal and audit shall be borne by the withdrawing partner.

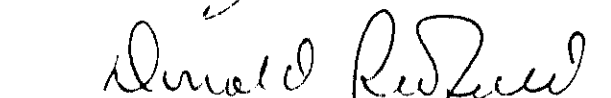
IN WITNESS WHEREOF, the partners have signed this Agreement.

  
Hermon E. King, General Partner

  
Russell H. Jensen, General Partner

  
Alvan H. Stevenson, Limited Partner

  
Earl N. Jensen, Limited Partner

  
Donald Redfield, Limited Partner

  
Edwin A. Engert, Limited Partner

STATE OF IDAHO

IN THE DISTRICT COURT OF THE

County of Blaine

vs HERMON E. KING

WARD BROWN, and WIL-

son, who duly act as

Witnesses

Subscribed and sworn to before me

STATE OF IDAHO

CITY OF THEROME

On the 22nd day

1922

Witness my hand and seal

Notary Public

My Comm.

Exp.

Howard Brown  
Howard Brown, Limited Partner

LAUREL INVESTMENT COMPANY,  
A Limited Partnership, Limited Partner

By Herman E. King  
Herman E. King, General Partner

R. H. J. INVESTMENT COMPANY,  
A Limited Partnership, Limited Partner

By Russell H. Jensen  
Russell H. Jensen, General Partner

W. F. B. INVESTMENT COMPANY,  
A Limited Partnership, Limited Partner

By Wilbur F. Biermann  
Wilbur F. Biermann, General Partner

CINQUENTA INVESTMENT COMPANY,  
A Limited Partnership, Limited Partner

By Marion M. Wood  
Marion M. Wood, General Partner

NORMAN AND SARAH BAKER TRUST NO.  
SID-401, Limited Partner

By Herman E. King  
Herman E. King, Trustee

STATE OF IDAHO )

COUNTY OF CASSIA )

On the 15<sup>th</sup> day of September, 1970, personally appeared  
before me HERMON E. KING, RUSSELL H. JENSEN, ALVIN H. STEVENSON,  
HOWARD BROWN, and WILBUR F. BIERMANN, the signers of the foregoing  
instrument, who duly acknowledged to me that they executed the same.

Glen R. Kunkin  
Notary Public

My commission expires:

June 17, 1974

Residing at Burley, Idaho

STATE OF IDAHO )

COUNTY OF JEROME )

On the 20 day of October, 1970, personally appeared  
before me EARL N. JENSEN, the signer of the foregoing instrument, who  
duly acknowledged to me that he executed the same.

Alice J. Hendrickson  
Notary Public

My commission expires:

Sept. 24, 1973

Residing at Jerome, Idaho

STATE OF IDAHO )

COUNTY OF MINIDOKA )

On the 19<sup>th</sup> day of October, 1970, personally appeared  
before me DONALD REDFIELD, the signer of the foregoing instrument, who  
duly acknowledged to me that he executed the same.

Clayton M. Moley  
Notary Public

My commission expires:

5-1-74

Residing at Rupert, Idaho

STATE OF UTAH       )  
                              : ss.  
COUNTY OF CACHE )

On the 26<sup>th</sup> day of October, 1970, personally appeared  
before me EDWIN A. ENGERT, the signer of the foregoing instrument, who  
duly acknowledged to me that he executed the same.

Gerald L. Olson  
Notary Public

My commission expires:

My Commission Expires April 25, 1971

Residing at Logan, Utah

STATE OF UTAH       )  
                              : ss.  
COUNTY OF SALT LAKE )

On the 28<sup>th</sup> day of September, 1970, personally appeared  
before me MARION M. WOOD, the signer of the foregoing instrument, who  
duly acknowledged to me that she executed the same.

Lois A. Thomas  
Notary Public

My commission expires:

Sept. 20, 1971

Residing at Boonville, Utah