

**CERTIFICATE OF LIMITED PARTNERSHIP**

**OF**

**THE DUNCAN LIMITED PARTNERSHIP**

The undersigned, desire to form a limited partnership pursuant to the laws of the State of Idaho and being all of the members of such limited partnership, having signed and sworn to this Certificate, certify as follows:

1. The name of the limited partnership is The Duncan Limited Partnership.

2. The character of the business of the partnership is as follows: Farming and ranching.

3. The location of the business is Route #1, Box 293-A, Rupert, Idaho 83350.

4. The name and address of the registered agent is Jack F. Duncan, Route #1, Box 293-A, Rupert, Idaho 83350.

5. The names and address of the general and limited partners are as follows:

**General Partners:**

Jack F. Duncan  
Route #1, Box 293-A  
Rupert, Idaho 83350

Janet H. Duncan  
Route #1, Box 293-A  
Rupert, Idaho 83350

Paul Hepworth Duncan  
Route #1, Box 364  
Rupert, Idaho 83350

**Limited Partners:**

Lori Duncan Arritt  
Route #1, Box 373  
Rupert, Idaho 83350

Sara Duncan Crane  
Route #3, Box 146  
Rupert, Idaho 83350

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Paul Hepworth Duncan  
as Custodian for:  
Julie Duncan  
Shelly Duncan  
Jason Hepworth Duncan  
Melissa Duncan  
Andrea Duncan  
Stacey Duncan  
Route #1, Box 364  
Rupert, Idaho 83350

6. There are 1,500 Class A General Partnership Units and 2,000 Class B General Partnership each having an initial value of \$100.00 per unit. There are 8,750 Limited Partnership Units having an initial value of \$100.00 per unit. The members of the partnership and the number of units which each partner owns are as follows:

<u>NAME</u>	<u>CONTRIBUTED PROPERTY</u>	<u>AGREED VALUE</u>	<u>NUMBER OF UNITS</u>
<u>Class A General Partners</u>			
Jack F. Duncan & Janet H. Duncan, husband & wife,	See Exhibit "A"	\$125,000.00	1,250
Paul Hepworth Duncan	"	25,000.00	250
<u>Class B General Partners</u>			
Jack F. Duncan & Janet H. Duncan, husband & wife,	See Exhibit "A"	200,000.00	2,000
<u>Limited Partners</u>			
Jack F. Duncan & Janet H. Duncan, husband & wife,	See Exhibit "A"	675,000.00	6,750
Lori Duncan Arritt	"	25,000.00	250
Sara Duncan Crane	"	25,000.00	250

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Paul Hepworth Duncan  
as Custodian for:

Julie Duncan	"	25,000.00	250
Shelly Duncan	"	25,000.00	250
Jason Hepworth Duncan	"	25,000.00	250
Melissa Duncan	"	25,000.00	250
Andrea Duncan	"	25,000.00	250
Stacey Duncan	"	25,000.00	250

7. A limited partner is not required to make any additional contributions to the partnership.

8. A limited partner may assign his interest to a substitute limited partner after offering it for sale to the another limited partner and the general partners.

9. Upon liquidation, the Partners shall continue to share profits or losses during liquidation in the same proportions as before dissolution. The Partnership assets or proceeds thereof shall be distributed in payment of the liabilities of the Partnership in the following order:

(a) To the payment of debts and liabilities of the Partnership other than to debts of the Partners, and the expenses of liquidation including a sales commission to the selling agent, if any;

(b) To the payment of the debts and liabilities of the Partnership to the Partners;

(c) To the setting up of any reserves which the General Partners deem necessary for any contingent or unforeseen liabilities or obligations of the Partnership or of the General Partners arising out of or in connection with the Partnership. Said reserves shall be paid over by the Partners to a commercial bank to be designated by the General Partners, as Escrow Agent, to be held for the purpose of disbursing such reserves in payment of any of the aforementioned contingencies, and at the expiration of such period as the General Partners shall deem advisable, to distribute the balance thereof in the manner provided in this paragraph and in the order named;

(d) To the Class B General Partners in accordance with the provisions of paragraph 10(d) of the Pine Creek Ranch Limited Partnership Agreement;

(e) To the Limited Partners to the extent of their net credit balances in their capital and current accounts.

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(f) To the Class A General Partners to the extent of their net credit balances in their capital and current accounts.

(g) To the Class A General Partners and Limited Partners in equal proportions per unit. If there is not a sufficient amount to return all capital contributions to the Partners, they shall share pro rata in the losses in the same proportion as set forth in Paragraph 12 of The Duncan Limited Partnership Agreement;

(h) In the event of liquidation distribution of the Partnership's property in kind, the fair market value of such property shall be determined by an independent appraiser actively engaged in appraisal work, selected by a majority of the Partnership interests and such Partners shall receive an undivided interest in such property equal to the portion of the proceeds to which he would be entitled under the immediately preceding subparagraph of this Paragraph, if such property were sold;

(i) A reasonable time as determined by the General Partners, not to exceed one year, shall be allowed for the orderly liquidation of the assets of the Partnership and the discharge of liabilities to the creditors so as to enable the General Partners to minimize any losses attendant upon liquidation.

(j) Any Partner with a deficit in his capital account following the distribution of liquidation proceeds shall restore the amount of deficit to the Partnership and such amount shall be distributed as hereinbefore set forth.

10. No limited partner is given the right to demand and receive property other than cash in return for his contribution, except that, upon dissolution of the partnership, if the general partners deem it in the best interests of the partnership, a distribution may be made to the partners in kind in accordance with the provisions of the The Duncan Limited Partnership Agreement. No limited partner is given priority over another limited partner as to return of contribution or income; except that, as among the limited partners, in any allocation of return of contribution or income to the limited partners, each limited partner shall share in the allocation in the proportion that his number of partnership units as a limited partner bears to the total number of partnership units held by limited partners.

11. The partnership shall commence on June 11, 1985, and shall continue until terminated as provided in the The Duncan Limited Partnership Agreement. The business of the partnership may be continued upon the death, retirement or insanity of a general partner if the remaining partners agree to continue the partnership.

12. Pursuant to paragraph 18 entitled "Power of Attorney" of The Duncan Limited Partnership Agreement, each limited partner has given each general partner and each general partner has given the other general partners the power to execute this Certificate of Limited Partnership.

IN WITNESS WHEREOF, this Certificate is signed and sworn to this 6th day of June, 1985.

  
\_\_\_\_\_  
Jack F. Duncan

General Partner

SUBSCRIBED AND SWORN to before me this 6th day of June, 1985.

(SEAL)

  
\_\_\_\_\_  
Notary Public for Idaho  
Commission expires: Lifetime

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**EXHIBIT "A"**

**PARCEL 1**

The SE1/4NE1/4 and NE1/4SE1/4 of Section 24, T9S, R24E, B.M., Minidoka County, Idaho, EXCEPTING THEREFROM, the following described property, to wit: Beginning at the Northeast corner of the NE1/4SE1/4 of Section 24; thence West 417 feet; thence South for 1200 feet; thence East for 417 feet; thence North 1200 feet to the Point of Beginning.

**PARCEL 2**

The N1/2 of Section 34, T9S, R25E, B.M., Cassia County, Idaho, LESS 5 acres therefrom.

**PARCEL 3**

N1/2 of Section 26, T9S, R25E, B.M., Cassia County, Idaho.

**PARCEL 4**

E1/2 of Section 29, T9S, R25E, B.M., Cassia County, Idaho.

**PARCEL 5**

That part of the S1/2NE1/4, E1/2SE1/4, NW1/4SE1/4, NE1/4SW1/4, Section 20, T9S, R25E, B.M., Cassia County, Idaho, lying South and East of the Southside Canel. EXCEPTING THEREFROM the following described real property, to wit: Beginning at the SW corner of the SE1/4 of said Section 20, thence North 660 feet parallel to the East boundary line of said section; thence East 330 feet parallel to the South boundary line of said section; thence South 660 feet parallel to the East boundary line of said section; thence West 330 feet along the South boundary line of said section to the point of beginning.