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AMENDED AND RESTATED  
CERTIFICATE OF LIMITED PARTNERSHIP  
OF

PETERSEN ENTERPRISES LIMITED PARTNERSHIP

whose name is to be changed by this amendment to

THE COTTONTREE HOSPITALITY GROUP LIMITED PARTNERSHIP

We, the undersigned, desiring to amend and restate the Certificate of Limited Partnership of Petersen Enterprises Limited Partnership, an Idaho Limited Partnership, which filed its original Certificate of Limited Partnership on July 16, 1982, pursuant to the provisions of Chapter 2, Title 53 of the Idaho Code, as amended, do hereby amend and restate the Certificate of Limited Partnership of Petersen Enterprises Limited Partnership as follows:

1. The amended name of the Partnership effective April 1, 1988, is The Cottontree Hospitality Group Limited Partnership.
2. The general nature of the partnership business is to acquire by purchase, exchange, lease, hire or otherwise, real estate of every kind, character and description whatever, wherever located, and interests of all kinds therein (i) to hold, own, develop, improve, manage, operate, let as lessor or sublessor, and mortgage such property, (ii) to sell and exchange such property and interests therein, (iii) to obtain, use dispose of and deal in and with such property in every other manner, either alone or in conjunction with others, as partners, joint venturers or otherwise, and (iv) to carry on the business of managing agent, broker, finder, consultant and all other functions in connection therewith.
3. The name and address of the agent for service of process upon the partnership shall be David James Petersen at 1415 Bench Road, Pocatello, Idaho 83201.
4. The names and business addresses of each general and each limited partner are as follows:

GENERAL PARTNERS

PLACE OF BUSINESS

Lester J. Petersen

1 Professional Plaza  
Rexburg, Idaho 83440

David James Petersen

1415 Bench Road  
Pocatello, Idaho 83201

LIMITED PARTNERS

PLACE OF BUSINESS

Mark Lester Petersen

1945 East 17th Street  
Idaho Falls, Idaho 83401

David James Petersen

1415 Bench Road  
Pocatello, Idaho 83201

Suzanne Petersen Bramwell

17710 Northeast 137th Court  
Redmond, Washington 98052

Michelle Petersen Townsend

223 Apache Avenue  
Rexburg, Idaho 83440

5. The amount of cash and a description and statement of the agreed value of other property or labor or services originally contributed by each partner is as follows:

<u>General Partners</u>	<u>Partnership Units</u>	<u>Percent of Interest</u>	<u>Amount of Capital</u>
Lester J. Petersen	8	.8%	\$16,331.66
David James Petersen	2	.2%	\$ 4,082.92

<u>Limited Partners</u>	<u>Partnership Units</u>	<u>Percent of Interest</u>	<u>Amount of Capital</u>
Mark Lester Petersen	247.5	24.75%	\$505,260.56
David James Petersen	247.5	24.75%	\$505,260.56
Suzanne Petersen Bramwell	247.5	24.75%	\$505,260.56
Michelle Petersen Townsend	247.5	24.75%	\$505,260.56

All contributions were in property. Lester J. Petersen actually did not make a contribution to the Partnership; he received his partnership units as gifts from Mark Lester Petersen and David James Petersen.

6. There is no requirement for making additional contributions by any partner.

7. A limited partner may assign all or a portion of the partnership interest of said limited partner under the following conditions:

a. The general partners unanimously approve said assignment and the proposed assignee consents to such assignment; and

b. The assignee shall execute and deliver such instruments, in the form and substance satisfactory to the general partners, as the general partners shall deem necessary or desirable to cause him to become a substitute limited partner; and

c. The assignee shall pay all reasonable expenses in connection with admission as a substituted limited partner, including, but not limited to, the cost of preparation and filing of any Amendment of the Limited Partnership Agreement, Certificate of Limited Partnership and Partnership Buy-Out Agreement; and

d. The assignee shall be bound by and become a party to the Partnership Agreement and the Buy-Out Agreement and be bound by all terms of such agreements. A copy of the Buy-Out Agreement is attached hereto.

8. No partner of the partnership can assign, encumber, give pledge, transfer, devise, bequeath or in any manner terminate or transfer all or any portion of his partnership interest except pursuant to the terms of the Buy-Out Agreement of the General and Limited Partners of The Cottontree Hospitality Group Limited Partnership. The Buy-Out Agreement provides for the partnership or remaining partners to purchase the terminating partner's interest for a value as specified in a Certificate of Agreed Value or pursuant to appraisal with the purchase price to be paid over an extended term. The exact terms and conditions are found in the Buy-Out Agreement, a copy of which is attached hereto.

9. No partner has the right to receive distributions of property or cash except as provided for in the Articles of Limited Partnership.

10. No partner has the right to receive distributions which include a return of all or any part of a partner's contribution except when the Partnership is liquidated or as provided for in the Articles of Limited Partnership. The general partners have the right to determine what distributions will be made to the partners.

11. The partnership is to be dissolved and its affairs wound up upon the written agreement of all general partners or the death, retirement, resignation, withdrawal, adjudication of bankruptcy, insolvency, incompetency, insanity, liquidation, merger or dissolution of any general partner.

12. In the event of dissolution of the partnership, instead of winding up, the partnership may be continued under the following conditions:

a. The partnership or remaining partners may purchase the interest of the terminating general partner and the partnership reformed on that basis; or

b. With the consent of the terminating general partner or his legal representative or successor in interest and all remaining general partners, if any, and limited partners owning a majority of the outstanding partnership units owned by the limited partners, the interest of the terminating general partner may be converted to a limited partnership interest and the partnership reformed on that basis. If there are no remaining general partners, a new general partner or partners shall be selected from the limited partners and the partnership reformed on that basis.

13. A copy of the Buy-Out Agreement referred to in paragraphs 7 and 8 is attached.

DATED this 10th day of March, 1988.

  
Lester J. Petersen

  
David James Petersen

GENERAL PARTNERS

  
Mark Lester Petersen

  
David James Petersen

  
Suzanne Petersen Bramwell

  
Michelle Petersen Townsend

LIMITED PARTNERS

BUY-OUT AGREEMENT OF  
THE GENERAL AND LIMITED PARTNERS  
OF

THE COTTONTREE HOSPITALITY GROUP LIMITED PARTNERSHIP

AGREEMENT made effective this 10th day of March, 1988, by and between LESTER J. PETERSEN and DAVID JAMES PETERSEN, General Partners, MARK LESTER PETERSEN, DAVID JAMES PETERSEN, SUSAN PETERSEN BRAMWELL and MICHELLE PETERSEN TOWNSEND, Limited Partners, herein referred to collectively as "Partners" and THE COTTONTREE HOSPITALITY GROUP LIMITED PARTNERSHIP, herein referred to as the "Partnership".

ARTICLE 1

RESTRICTION ON PARTNERSHIP UNIT

1.1 No Transfers. No Partner of the Partnership, while this Agreement is in force, shall assign, encumber, give, pledge, transfer, devise, bequeath, or in any manner whatsoever dispose of all or any part of the Partnership units of the Partnership now owned or hereafter acquired by him, except pursuant to the terms of this Agreement.

1.2 Exceptions to Restrictions. The provisions of this Agreement shall not be applicable in the following circumstances:

(a) The proposed transferee, designee or legal representative of a Limited Partner is elected a substituted Limited Partner by unanimous approval of all General and Limited partners and with the consent of the proposed transferee, designee or legal representative. As a condition to admission of a substituted limited partner, the Partners can require the following conditions be met:

(i) Any tranferee and designee, or legal representative shall execute and deliver such instruments, in the form and substance satisfactory to the General Partners, as the General Partners shall deem necessary or desirable to cause them to become a substitute Limited Partner,

(ii) Such transferee, designee or legal representative shall pay all reasonable expenses in connection with admission as a substituted Limited Partner, including but not limited to, the cost of preparation and filing of any Amendment of the Limited Partnership Agreement, Certificate of Limited Partnership and Partnership Buy-Out Agreement, and

(iii) Such transferee, designee or legal representative shall be bound by and become a party to the Partnership Agreement and this Buy-Out Agreement and be bound by all terms of such agreement.

(b) This Buy-Out Agreement shall not apply to transfer by gift or otherwise of any unit to or from Dr. Lester J. Petersen or Lola A. Petersen.

(c) In the event of conversion of a General Partnership to a Limited Partnership unit or a Limited Partnership unit to a General Partnership unit as provided in the Limited Partnership Agreement these Buy-Out provisions shall not apply.

1.3 Events Causing Buy-Out. Restrictions on the transfer of Partnership units shall be applicable while this Agreement is in force at any time there is an attempt to assign, encumber, give, pledge, transfer, devise, bequeath, or in any manner whatsoever dispose of all or any part of the Partnership units whether by death, retirement, resignation, withdrawal, filing a petition in bankruptcy or being adjudicated a bankrupt, becoming insolvent, making an assignment for the benefit of creditors, incompetency, an appointment of a guardian or conservator, or any any other events which might cause said transfers.

## ARTICLE 2

### NOTICE TO PARTNERS AND PARTNERSHIP

2.1 Time of Notice. Within sixty (60) days from the date of the event which causes the Buy-Out to become effective, the Partner whose units are so affected or his estate, heirs, personal representative, or legal representative, shall give to the Partnership and to the Partners written notice offering to sell all of his Partnership units in the Partnership in accordance with the terms and conditions of this Agreement.

2.2 Method of Notices. All notices hereunder shall be sent by first class mail, postage prepaid, and addressed as set forth in Article 2.4 below, except that any Partner may from time to time give notice changing his address for such purpose. Notice shall be effective on the date of receipt or on the fifth (5th) day after mailing, whichever is earlier.

2.3 Computation of Time. In computing any period of time under this Agreement, the day of the act, event or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, Sunday, or legal holiday, in which event the period shall run until the end of the next day which is not a Saturday, Sunday or legal holiday.

2.4 Place of Notice. Notice shall be sent to the Partnership and each Partner at the following addresses:

Dr. Lester J. Petersen  
401 Maple Drive  
Rexburg, Idaho 83440

Mark Lester Petersen  
1665 Claremont Lane  
Idaho Falls, Idaho 83401

David James Petersen  
1415 Bench Road  
Pocatello, Idaho 83201

Suzanne Petersen Bramwell  
17710 Northeast 137th Court  
Redmond, Washington 98052

Michelle Petersen Townsend  
223 Apache Avenue  
Rexburg, Idaho 83440

### ARTICLE 3

#### PURCHASE OF PARTNERSHIP UNITS

3.1 Option to Purchase. The Partnership shall have the option for a period of sixty (60) days commencing with the effective date of the notice of offer under Article 2 to purchase all or any part of the Partnership units so offered. The option shall be exercised by giving written notice delivered to offeror. If the option is not exercised within that sixty (60) day period as to all Partnership units so offered, the surviving Partners shall have the option for a period of sixty (60) days commencing with the end of the sixty (60) day period to purchase all the remaining Partnership units, or any part of the remaining Partnership units so offered. The option shall be exercised by giving written notice delivered to offeror.

If notices of buy-out offers from the surviving partners specify in the aggregate more Partnership units than are available for purchase by the partners, each partner shall

have priority, up to the number of Partnership units specified in his notice, to such proportion of those available Partnership units as the number of the Partnership units he holds bears to the number of the Partnership units held by all partners electing to purchase. The Partnership units not purchased on such a priority basis shall be allocated in one or more successive allocations to those Partners electing to purchase more than the number of Partnership units to which they have priority right, up to the number of Partnership units specified in their respective notices, in the proportion that the number of Partnership units held by each of them bears to the number of Partnership units held by all of them.

In the event the above options are not exercised as to all the Partnership units so offered, the Partnership shall be obligated to elect to purchase all such remaining Partnership units or to liquidate its assets pursuant to Article 9 of the Limited Partnership Agreement. The election to purchase all such remaining Partnership units shall be exercised by giving written notice delivered to the offeror within thirty (30) days after the expiration of the final option period.

The purchase price and method of payment of the Partnership units to be purchased shall be as provided below.

3.2 Obligation of Partners. If the Partnership shall elect to purchase any Partner's units under the terms of this Agreement and shall for any reason be unable to or refuse to purchase all of the Partnership units offered for sale the obligation shall be deemed assumed by those partners not electing to sell their Partnership units, and such partners shall proceed to perform and carry out the obligations of the Partnership and shall proceed to purchase, in the same proportions as they own the remaining outstanding Partnership units of the Partnership not offered for sale, those units which the Partnership shall be unable to or refuse to purchase, under the same terms and conditions as if the Partnership were to purchase said units.

3.3 Liquidation if not Purchased. In the event either (1) Partnership shall fail to elect to purchase any remaining offered units within thirty (30) days after the expiration of the final option period, or (2) if the Partnership shall properly elect to purchase any units, under the terms of this Agreement, and if all of the Partnership units of the selling partner or his estate are not purchased or redeemed, and payment made therefore by the Partnership or its remaining partners in accordance with the foregoing provisions, then the partners shall immediately vote their Partnership units in favor of the immediate liquidation of the Partnership pursuant to Article 9



of the Limited Partnership Agreement. The purpose of this provision is to provide a means for the liquidation and distribution of the assets among the Partners in the event any Partner desiring to sell or transfer his Partnership units is unable to do so because of the purchase provisions of this Agreement.

**3.4 Purchase Price.** The purchase price of all Partnership units shall be equal to the value of the Partnership unit as set forth in the latest Certificate of Agreed Value filed with the Partnership. The term "Certificate of Agreed Value" shall refer to a written Agreement and certificate signed by all of the Partners of Partnership, which shall state the value of Partnership units for purposes of this Agreement and the interest rate to be paid on any unpaid balance of the purchase price if a rate other than nine percent (9%) is to be used. The Partners shall annually file with Partnership a Certificate of Agreed Value. Failure to file any certificate shall not, except as hereinafter provided, invalidate the value set forth in the last certificate so filed. The Partners may, at their option, file with the Partnership a Certificate of Agreed Value at more frequent intervals. If the date of the most recent Certificate of Agreed Value is more than One Hundred Eighty (180) days prior to the date at which any Partnership unit is offered for sale under the terms and conditions of this Agreement, the value set forth in said last Certificate of Agreed Value shall be increased or decreased in the same proportion as the book value of the Partnership shall have increased or decreased since the filing of said last Certificate of Agreed Value. Said book value of the Partnership shall be determined in accordance with generally accepted accounting principles applied on a basis consistent with prior accounting periods and shall include the cash surrender values of life insurance policies owned by the Partnership on the lives of the Partners, but shall not include the proceeds of policies insuring the life of a deceased Partner in excess of its cash surrender value. The initial Certificate of Agreed Value has been executed by all Partners and filed with Partnership simultaneously with the execution of this Agreement.

(b) **Appraisal.** In the event the date of the most recent Certificate of Agreed Value is more than two (2) years prior to the date at which any Partnership unit is offered for sale under the terms and conditions of this Agreement, the Certificate of Agreed Value shall be of no further force and effect and the value of the Partnership for the purpose of determining the purchase price shall be determined by appraisal as hereinafter set forth. The Partnership and the selling Partner (or his personal representative) shall each name one appraiser. If the two appraisers cannot agree within thirty (30) days upon the value of such Partnership units, they shall

appoint a third appraiser, and the decision of a majority of the three appraisers shall be binding on all parties. In making such appraisal, the appraisers may consider all relevant factors affecting the value of such Partnership unit, including, but not limited to, market value, net asset value and investment or capitalized earnings value. The appraisers may consider as an asset of the Partnership the cash surrender values of life insurance owned by Partnership on the lives of the Partners, but shall not include the proceeds of policies insuring the life of a deceased Partner in excess of its cash surrender value. The cost of appraisal shall be shared equally by the Partnership and the selling Partner or his estate.

3.5 Payment of Purchase Price and Security. The purchase price of all Partnership units purchased or liquidated under the terms and conditions of this Agreement shall be paid as follows:

(a) Payment of Purchase Price when Partner is Deceased.

i. In the event the Partnership unit of a deceased Partner is purchased, upon the closing date, as hereafter defined, the Partnership or Partners shall make a cash downpayment of not less than ten percent (10%) of the total purchase price as determined in Article 3.4 above. In the event the Partnership shall receive the proceeds of any insurance policy on the life of a deceased Partner under the provisions of Article 4. or in the event a Partner shall receive the proceeds of any insurance on the life of a deceased Partner such proceeds shall, (to the extent of the total purchase price of the decedent's Partnership unit) be paid as the downpayment; provided, however, that if such insurance proceeds do not equal ten percent (10%) of the total purchase price as determined above, the Partnership or Partners shall pay cash in addition to the insurance proceeds in an amount sufficient to cause the downpayment to equal ten percent (10%) of said purchase price. In the event the Partnership purchases a unit and shall have set aside any funds or surplus specifically for the purpose of redeeming a Partner's unit under the terms of this Agreement, such funds or surplus shall be paid to the personal representative of the deceased Partner as the downpayment; provided, however, that if the total amount of such funds or surplus plus interest does not equal ten percent (10%) of the said total purchase price, the Partnership shall pay cash in addition to the funds or surplus in an amount sufficient to cause the downpayment to equal ten percent (10%) of said purchase price.

ii. The balance of the purchase price after deduction of the downpayment shall be paid in ten (10) equal annual installments of principal and interest which shall commence one (1) year following the closing date and shall continue on the same day of each year thereafter until the balance of the purchase price and accrued interest shall be paid in full.

(b) Payment of Purchase Price when Partner is Living.

i. In the event the Partnership unit of a living Partner is purchased, upon the closing date, as hereafter defined, the Partnership or Partners shall make a cash downpayment of not less than ten percent (10%) of the total purchase price as determined in Article 3.4 above.

ii. The balance of the purchase price after deduction of the downpayment shall be paid in twenty (20) equal annual installments of principal and interest which shall commence one (1) year following the closing date and shall continue on the same day of each year thereafter until the balance of the purchase price and accrued interest shall be paid in full.

(c) Interest. The unpaid balance of the purchase price shall bear interest at the rate of nine percent (9%) per annum, or such rate of interest as shall be set and agreed upon in the applicable Certificate of Agreed Value, commencing on the date of closing. All payments shall first be applied to the payment of accrued interest and then to the reduction of the principal balance of the purchase price.

(d) Additional Payments. Additional principal payments may be made on any date in multiples of \$500 without penalty. Interest on such additional principal payments shall cease as of the payment date.

(e) Evidence of Debt. At the election of the seller or his successor in interest, the purchasing Partnership or Partners shall (1) issue a promissory note evidencing the purchase obligation secured by a pledge or escrow of the Partnership unit purchased, or (2) enter into a contract of purchase with the seller retaining title until payment has been received in full.

(f) Default. In the event of a default in payment of the promissory note or contract of purchase, the seller may elect to declare all of the unpaid balance immediately due and payable.

(g) Examination of Books and Records. So long as any part of the purchase price of such Partnership unit shall remain unpaid, the seller or his personal representative shall have the right to examine the books and records of the Partnership and to receive copies of all accounting records and reports prepared for or on behalf of the Partnership; but all such information disclosed shall be confidential.

3.6 Closing Date. The closing date for any purchase or liquidation of Partnership units under the terms and conditions of this Agreement shall be the first to occur of the following dates:

(a) One Hundred Twenty (120) days following the effective notice date provided in Article 2, or

(b) One Hundred Eighty (180) days following the event which required the giving of a notice under Article 2.

3.7 Section 736 Allocation. In the event the Partnership purchases all or part of the unit of a withdrawing Partner, the allocation of the purchase price between subsection 736(a) and 736(b) of the Internal Revenue Code of 1954, as amended, shall be made in any manner to which the remaining Partners and the Partner, or his successor in interest, whose share is being purchased agree; provided, however, the amount allocable to 736(b) cannot exceed the fair market value of the property at the date of the event causing withdrawal and amounts representing \$751 assets shall be allocated as a 736(a) payment. In the event the remaining Partners and the withdrawing Partner or his successor in interest cannot agree on the 736 allocations then in such events the withdrawing Partner's payments shall be allocated as follows:

(a) Payments representing goodwill and \$751 assets shall be considered as 736(a) payments.

(b) All remaining payments shall be treated as 736(b) payments.

3.8 Section 754 Election. The Partnership shall make an election under §754 of the Internal Revenue Code of 1954, as amended, for the year in which a Partnership unit is purchased, whether by the Partnership or by the Partners.

#### ARTICLE 4

##### INSURANCE

4.1 Purchase by Partnership. The Partnership may insure the life of any Partner to obtain funds to purchase the

Partnership unit of a deceased Partner. In such case, the Partnership shall pay all premiums, name itself as beneficiary, and reserve all rights of ownership. Unless the Partnership shall elect to liquidate under the provisions of Article 3 above, all proceeds of any such policy or policies shall be used by the Partnership to purchase the Partnership unit of the deceased Partner to the extent of the purchase price of the decedent's Partnership unit purchased by Partnership. The payment of such proceeds to the personal representative of the deceased Partner may be deferred until the closing date provided in Article 3.6 above and paid at that time as part of the downpayment. Any proceeds received in excess of the total purchase price of the decedent's Partnership unit purchased by Partnership shall be retained by the Partnership.

4.2 Option to Purchase Insurance by Partner. If any Partner shall cease at any time to own Partnership unit in the Partnership, he shall have the right to purchase from the Partnership any insurance policy owned by the Partnership on his life at its cash surrender value, if any, plus any unearned premium thereon; and the Partnership shall deliver the policy to the Partner and shall execute any necessary instruments of transfer and change of beneficiary upon receipt of such payment.

## ARTICLE 5

### GENERAL PROVISIONS

5.1 Termination. This Agreement shall terminate upon the occurrence of any of the following events:

(a) Bankruptcy, receivership or dissolution of the Partnership.

(b) Mutual consent of all Partners of the Partnership bound by the terms hereof.

5.2 Necessary Documents. If under the terms of this Agreement the Partnership unit of any Partner is purchased or liquidated, such Partner or his legal representative shall execute and deliver all documents that may be reasonably required to accomplish a complete transfer or liquidation of such Partnership unit for the purpose of such purchase.

5.3 Partners Defined. The term Partner as used in this Agreement shall include not only the Partners who are parties to this Agreement, but shall include all persons who may hereafter become Partners of Partnership by any means whatsoever.

5.4 Covers all Units. This Agreement shall apply to all Partnership units heretofore or hereafter issued to any Partner of Partnership.

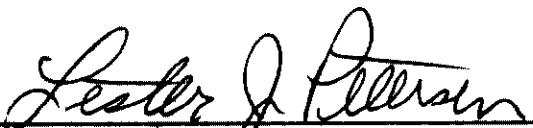
5.5 Approval by Spouses. The spouse of each of the Partners shall read this Agreement and approve the provisions of the same by signing the Agreement. By said signature, the spouse acknowledges that the partnership units of the Petersen children are the Petersen children's sole and separate property, the rents, issues, profits, and appreciation in value, if any, to remain their sole and separate property. The children's interest in this partnership was acquired originally as a gift from Lester J. Petersen and Lola A. Petersen.

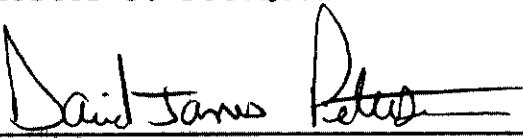
5.6 Benefit and Obligation. This Agreement shall be binding upon and shall inure to the benefit of the legal representatives, successors, and assigns of the parties hereto and shall be binding upon any person to whom any of the Partnership units of Partnership is transferred after the date of this Agreement.

5.7 Attorney's Fees. The failure of either party to comply with the terms of this contract will obligate that party to pay all expenses including a reasonable attorney's fees, incurred by the other party because of that failure.

5.8 Duplicate Originals. This Agreement may be executed in duplicate originals, all of which shall be deemed to be original copies.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this 10th day of March, 1988.

  
Lester J. Petersen

  
David James Petersen

GENERAL PARTNERS

Mark Lester Petersen

Mark Lester Petersen

David James Petersen

David James Petersen

Suzanne Petersen Bramwell

Susan Petersen Bramwell

Michelle Petersen Townsend

Michelle Petersen Townsend

LIMITED PARTNERS

Read, approved and ratified by the spouses of the Partners.

Christine Petersen

Rusty Townsend

Janet Petersen

John P. Bramwell