

CERTIFICATE OF GEM VARIETY COMPANY, LIMITED PARTNERSHIP

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On the 15th day of April, 1986, the undersigned form a Limited Partnership under the provisions of the Uniform Limited Partnership Act of the State of Idaho on the following terms and conditions:

1. FORMATION OF LIMITED PARTNERSHIP: The parties for^m a Limited Partnership (herein the "Partnership") to be called GEM VARIETY COMPANY, LIMITED PARTNERSHIP.

2. PURPOSE OF PARTNERSHIP: The general nature of the partnership shall be to invest in real estate, personal property, other partnerships, or corporations. The specification of a particular business shall not be deemed a limitation of the general powers of the Partnership.

3. PLACE OF BUSINESS: The principal place of business of this partnership shall be 110 East 8th Street, Burley, Idaho, 83318, or such other place or places as the General Partners may from time to time determine after giving written notice of such change to the Limited Partners. The mailing address of the Partnership shall be Box 669, Burley, Idaho, 83318.

4. REGISTERED AGENT: The registered agent shall be H.E. King, 110 East 8th Street, Burley, Idaho 83318.

5. THE PARTNERS: The names, places of business and initial contribution of each member of the Partnership are as follows:

<u>GENERAL PARTNERS</u>	<u>PLACE OF BUSINESS</u>	<u>CONTRIBUTION</u>
H.E. King	P.O. Box 669 Burley, ID 83318	\$1,200.00
Thomas E. King	P.O. Box 669 Burley, ID 83318	1,200.00
<u>LIMITED PARTNERS</u>		
Triple J Investment Company	45 Van Englen Drive Burley, ID	9,000.00
Ray Ohlaug	Rt. #2 170 Volz Lane Burley, ID	3,000.00
Jecka Investment Co.	739 E. 17th St. Burley, ID 83318	3,000.00
Harold L. Bumann	2026 Schodde Ave. Burley, ID 83318	3,000.00
David Price	205 Barlow Idaho Falls, ID. 83401	3,000.00
3JM Investment Co	2849 Berkeley Ave. Burley, ID 83318	3,000.00
Jon Riedel	2210 Conant Dr. Burley, ID 83318	3,000.00
Tom King	P.O. Box 669 Burley, ID 83318	6,000.00
Jon Anderson	2330 Burton Burley, Idaho 83318	1,800.00
Laurel Investment Co.	P.O. Box 669 Burley, ID 83318	22,800.00

6. TERM OF PARTNERSHIP: The partnership shall commence on the date of filing this certificate of limited Partnership with the Secretary of State, and shall continue until terminated as hereinafter provided, or dissolved by operation of law or judicial decree.

7. ORIGINAL CAPITAL: The original capital of this Limited Partnership shall be cash in the amount of \$60,000.00. Each of the partners contributed the percentage of capital in cash which appears listed opposite his, her or its name and shall share in the profits and losses in the same percentages, to-wit:

<u>GENERAL PARTNERS</u>	<u>PERCENTAGE OF INTEREST</u>
H. E. King	2.00%
Thomas E. King	2.00%
<u>LIMITED PARTNERS</u>	<u>PERCENTAGE OF INTEREST</u>
Triple J Investment Company	15.00%
Ray Ohlaug	5.00%
Jecka Investment Company	5.00%
Harold L. Bumann	5.00%
David Price	5.00%
3JM Investment Company	5.00%
Jon Riedel	5.00%
Tom King	10.00%
Jon Anderson	3.00%
Laurel Investment Company	38.00%

8. CAPITAL INTEREST ACCOUNTS AND DRAWING ACCOUNTS: 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, her or its distributive share of the Partnership profits, less losses and withdrawals, and less transfers to his, her, or its Capital Interest Account. The "Capital Interest Account" of each partner shall be percentage of the original capital hereinabove set forth opposite his, her or its name. Additions to the original capital interest account shall be by (1) additional contribution by a partner, and (2) transfer from his, her or its Drawing Account. In no event shall his, her or its 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, her, or its Capital Interest Account, and (2) his, her or its share of partnership losses in accordance with the Limited Partnership Act of Idaho which are in excess of the balance of his, her or its Drawing Account. Any decrease in the Capital Interest Account of each partner shall be approved by all General Partners. In the event a partner has overdrawn his, her or its Drawing Account, he, she or it will be notified and must pay the amount of such overdraft into the Partnership within sixty (60) days.

9. MANAGEMENT OF PARTNERSHIP: The management of the Partnership shall be:

A. The General Partners shall have full and complete charge of all affairs of the Partnership and the management and control of the Partnership's business shall rest exclusively with the General Partners, subject to the terms and conditions of the Partnership Agreement. The General Partners shall not be required to devote their full time to the Partnership business, but only such time as shall reasonably be required.

B. The General Partners may employ on behalf of the Partnership, persons, firms or corporations deemed advisable for the proper operation of the business of the Partnership, such employment to be undertaken upon prevailing competitive terms.

C. In addition to the specific rights and powers herein granted, the General Partners shall possess and may exercise all of the rights and powers of General Partners as more particularly provided by the Uniform Limited Partnership Law of the State of Idaho, except to the extent any of such rights may be limited or restricted by the express provisions of this Partnership Agreement.

D. The General Partners shall not be liable, responsible or accountable in damages or otherwise to the Limited Partners for any acts performed by them or for any non-actions or failure to act, within the scope of the authority conferred on them by the Partnership Agreement or by law, except for acts of malfeasance or misfeasance.

E. The Limited Partners shall take no part in the conduct or control of the Partnership business and shall have no right or authority to act for or bind the Partnership except as permitted in the Uniform Limited Partnership Act of the State of Idaho or stated herein.

F. The General Partners shall not, without the prior written consent of all Limited Partners, have authority to:

(1) Do any act in contravention of the Partnership Agreement;

(2) Do any act which is intentionally detrimental to the best interest of the Partnership or which would make it impossible to carry on the ordinary business of the Partnership;

(3) Confess a judgment against the Partnership;

(4) Possess Partnership property in their own name or assign their right in specific Partnership property for other than a Partnership purpose;

(5) Admit a person as a general partner;

(6) Admit a person as a limited partner.

10. SALARY TO GENERAL PARTNERS: The General Partners shall be entitled to a reasonable salary for management or for services rendered on behalf of or to the Partnership. They shall also be entitled to be reimbursed for any and all ordinary and necessary costs and expenses evidenced by proper receipts incurred by them in connection with the conduct of the Partnership business. Such salaries and expenses shall be treated and deducted as an expense in the determination of all net profits and losses of the business.

11. SHARING OF PROFITS AND LOSSES: All annual net profits or net losses of the Partnership shall be divided among the General Partners and the Limited Partners in the same proportions as the respective Partner's interest. In the event of the withdrawal of one of the Partners, the remaining partners shall participate in the net annual profits or losses of the Partnership in the same proportion as his, her or its then interest bears to each other after adjustment to reflect the withdrawal.

12. WITHDRAWAL OF PROFITS: At the end of each accounting year of the Partnership, a cash distribution shall be made to each partner of his, her or its respective share of the net earnings of the Partnership provided 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.

If the net annual profits are not distributed, said amounts shall not constitute capital contributions to the Partnership unless agreed upon by all the Partners. Any profits that are not distributed shall not draw interest as loans to the Partnership except upon mutual agreement of all the partners.

13. BOOKS OF ACCOUNT:

A. The Partnership shall maintain bank accounts at such banks as the General Partners shall determine. All funds of the Partnership shall be deposited in the Partnership bank account and all disbursements shall be made by check or draft signed by a General Partner or by his or her duly authorized representative.

B. The Partnership shall maintain, at the office of the Partnership, the books, records and accounts of the Partnership which shall be available for inspection by any Partner, General or Limited, at all reasonable times. The books and records shall be kept in accordance with generally accepted accounting principles and practices applied in a consistent manner by the Partnership and shall reflect all Partnership transactions and be appropriate and adequate for the Partnership's business. Such books and records shall be closed at the end of each calendar year.

14. SUBSTITUTIONS, ASSIGNMENTS AND ADMISSION OF

ADDITIONAL PARTNERS:

A. Without the written consent of all General and Limited Partners, there shall be no right to admit an additional General Partner.

B. Each Limited Partner may transfer all or any part of his interest in the Partnership by gift or by will or by the laws of intestacy without the consent of the other Partners. No Limited Partner shall substitute any other transferee of his, her or its interest as a Limited Partner without the written consent of all the General and Limited Partners at the time of such admission.

15. SALE, ASSIGNMENT OR TRANSFER OF INTEREST OF A

GENERAL PARTNER: A General Partner may not sell, assign, or transfer his or her general partnership interest without the consent of all of the General and Limited Partners.

16. WITHDRAWAL: A partner may withdraw from the Partnership upon giving ninety (90) days notice in writing to the other

partners at their respective addresses as shown herein. The remaining partners may elect within such period to dissolve the Partnership, or to continue the Partnership. If the Partnership continues the withdrawing partner shall be paid the fair market value of his Partnership interest as of the close of the month in which said ninety (90) days' notice expires. The value of the Partnership interest shall be paid by the Partnership in not to exceed ten (10) years in equal annual payments with interest on the unpaid balance at the rate of six percent (6%).

In the event the remaining partners and the withdrawing partner cannot agree upon the fair market value of a Limited Partner's interest in the Partnership, then the value shall be determined by appraisal of and an audit of the Partnership assets, including good will, if any, as to the date of withdrawal. The audit shall be made by a nationally recognized firm of Certified Public Accountants. In making the appraisal and audit, there shall be taken into account the capital account of the withdrawing partner, credits and 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 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 reached as to the values, the entire matter shall be settled by arbitration in accordance with the rules then prevailing of the American Arbitration Association at its office nearest to the principal place of business of the Partnership and judgment upon the award may be entered in any court having jurisdiction thereof.

17. DISSOLUTION: The Partnership shall dissolve upon the written consent of all partners, both Limited and General. Upon dissolution of the Partnership, the General Partners shall wind up the affairs of the Partnership by completing any matters then in process and shall liquidate the assets and apply the funds in the following order:

A. Those to creditors in the order of priority as provided by law, except those to Limited Partners on account of their contributions, and to General Partners.

B. Those to Limited Partners in respect to their share of the profits by way of income on their contributions.

C. Those to Limited Partners in respect to their capital contribution.

D. Those to General Partners other than for capital and profits.

E. Those to General Partners in respect to profits.

F. Those to General Partners in respect to their capital contributions.

18. RETIREMENT, DEATH OR INSANITY OF A GENERAL PARTNER:

The death, retirement, insanity, or the adjudication of a bankruptcy, or a general assignment for the benefit of creditors, or the appointment of a receiver of the affairs, property or business of any General Partner shall not work a dissolution of the Partnership unless:

1. Such dissolution is agreed to by the remaining General Partners; or

2. At the time of any of such events, there are not active General Partners the Partnership shall be dissolved.

In the event a General Partner dies, retires, becomes insane, is adjudicated a bankrupt, effects an assignment for the benefit of creditors, or desires to retire from active participation in the business as a General Partner, such General Partner shall forthwith cease to be a General Partner and the

General Partnership interest shall become a Limited Partnership interest with the same share of profits or losses of the Partnership as before the event and shall have all of the rights of a Limited Partner.

19. DEATH OR WITHDRAWAL OF A LIMITED PARTNER: The death or withdrawal of a Limited Partner shall not cause a dissolution of the Partnership, provided that where a Limited Partner is also a General Partner, the provisions regarding the death or withdrawal of a General Partner shall govern.

On the death of a Limited Partner, his or her personal representative shall have all of the rights of a Limited Partner for the purpose of settling the estate.

20. MISCELLANEOUS:

A. All notices required by this Agreement shall be deemed to have been given when placed in the United States mail, properly addressed, full postage prepaid. Notice shall be sent to the partners at the addresses set forth in Paragraph 4 unless and until the General Partners are otherwise notified in writing.

B. This Certificate may be executed in two or more counterparts, each of which shall be deemed to be an original and shall be binding on each partner who has signed such a counterpart.

C. Each Partner hereto covenants to execute, any and all documents and writing which may be necessary or expedient in the creation of this Partnership and the achievement of its purposes.

D. If the Partnership or any partner on behalf of the Partnership is a party to an action to enforce any of the terms of the Partnership Agreement or of any other contract relating to the Partnership, or an action in any other way pertaining to Partnership affairs, the prevailing party shall be entitled to recover costs, including a reasonable attorney's fee, incurred in prosecuting or defending the action.

IN WITNESS WHEREOF, the undersigned have executed this certificate to be effective the day and year first above written.

GENERAL PARTNERS

H. E. King
H. E. King
Thomas E. King
Thomas E. King

LIMITED PARTNERS

Triple J. Investment Company
by R. H. Jensen
R. H. Jensen General Partner
Jecka Investment Company
by Donald D. Ondler
Donald D. Ondler General Partner
Harold L. Bumann
Harold L. Bumann
David Price
David Price

3JM Investment Company
by David Webster
David Webster General Partner
Jon Riedel
Jon Riedel
Tom King
Tom King
Jon R. Anderson
Jon R. Anderson

LAUREL INVESTMENT COMPANY
by H. E. King
H. E. King, General Partner
Ray Ohlaug
Ray Ohlaug