

CERTIFICATE OF LIMITED PARTNERSHIP

for

HUSKINSON BROTHERS LIMITED PARTNERSHIP

1997 FEB 25 09 25

We, the undersigned, desiring to form a Limited Partnership pursuant to the Idaho Limited Partnership Act, Title 53, Chapter 2, Idaho Code, do hereby agree and certify:

1. Name.

The name of the limited partnership is:

HUSKINSON BROTHERS LIMITED PARTNERSHIP.

2. Character of Business.

The general character of the business of the partnership is: Owning, managing, operating, and leasing for operation agricultural real estate with related personal property.

3. Registered Agent.

The name and address of the registered agent of the limited partnership, for service of process, as required by Idaho Code Sec. 53-204, is:

Randy Scott Huskinson
2297 E. Sugar Cemetery Rd.
Sugar City, Idaho 83448

4. Partners' Names and Addresses.

(a) The names and business addresses of the General Partners are:

<u>NAME</u>	<u>ADDRESS</u>
Randy Scott Huskinson	2297 E. Sugar Cemetery Rd. Sugar City, Idaho 83448

James Hays Huskinson

2404 N. 3000 W.
Rexburg, Idaho 83440

(b) The name and business address of the limited partner are:

<u>NAME</u>	<u>ADDRESS</u>
Kenneth D. Huskinson	2249 E. 2700 S. Salt Lake City, UT

5. Initial Contributions to Capital.

The amount of cash and a description and statement of the agreed value of other property or labor or services contributed by each partner are as follows: Kenneth D. Huskinson, Randy Scott Huskinson and James Hayes Huskinson have acquired by purchase, subject to a purchase money mortgage in the seller the following described real property located in Madison County, Idaho, to-wit:

N $\frac{1}{2}$ of Sec. 24, Twp. 6 N., Rge. 40 E., Boise Mer.

ALSO Commencing at the SE corner of Sec. 13, Twp. 6 N., Rge. 40 E., Boise Mer., and running thence North 1320 feet, more or less, to the center of the county road; thence Westerly along the center of the county road to a point of a junction of the county road and a farm road running Southerly (which point is 1201 feet North and approximately 874.5 feet West of the point of beginning); thence West 247.5 feet, more or less to the West edge of a Hollow; thence meandering Southwesterly along the West edge of the Hollow 1287 feet, more or less, to the South line of Sec. 13; thence East 1500 feet, more or less, to the point of beginning.

SUBJECT to county road.

TOGETHER with all water rights, improvements, and appurtenances; and together with all of the grantor's interest in a pump, well, and motors, and all sprinkler irrigation equipment used to irrigate the premises.

The property is conveyed subject to that certain real estate mortgage held by Gladys M. Huskinson Family Partnership, recorded on August 11, 1976, as Instrument No. 161352, records of Madison County, Idaho, on which the limited partnership shall be responsible to pay one-half of the same.

Kenneth D. Huskinson, Randy Scott Huskinson, and James Hays Huskinson were equal partners in Huskinson Brothers, a general partnership. In consideration of Randy Scott Huskinson and James Hays Huskinson hereby assuming and agreeing to pay a promissory note of \$49,477.58 owing by Kenneth D. Huskinson to K.W. Huskinson & Sons, Inc., a corporation, and holding Kenneth D. Huskinson harmless of liability thereunder, Kenneth D. Huskinson agrees to and does hereby transfer to Randy Scott Huskinson a one-ninth interest in the partnership and to James Hays Huskinson a one-ninth interest in the partnership.

As a result of the transfer of the real estate to the limited partnership, subject to the indebtedness which the partnership assumes, and by virtue of the general partners assuming the debt of the limited partner, the following schedule shows the name of each partner and the partnership units owned by each as of the establishment of this partnership:

<u>General Partners</u>	<u>Units</u>
Randy Scott Huskinson	400
James Hays Huskinson	400
<u>Limited Partner</u>	<u>Units</u>
Kenneth D. Huskinson	<u>100</u>
TOTAL UNITS	900

All units have a value of \$247.39 each at the commencement of the limited partnership, and the total 900

units represent \$222,649.11 in value, which is equivalent to the fair market value of the real and personal property transferred to the partnership, less assumed debt, as set forth above.

6. Additional Contributions.

There is no agreement to make additional contributions to capital.

7. Substitute Limited Partners.

A limited partner has no power to grant the right to become a limited partner to an assignee of any part of his partnership interest except with written approval by the General Partners.

8. Termination.

The limited partner, Kenneth D. Huskinson, has the right and option to terminate his membership in the partnership as of March 1, 1997, by giving notice in writing to the partnership between December 1, 1996, and January 31, 1997, of his election to do so. If he does so elect he shall receive payment for his interest as provided in clause 10 hereof.

9. Right to Distributions.

(a) The General Partners shall cause the limited partnership to maintain such reserves to cover anticipated future expenses and disbursements as in the discretion of the General Partners seems appropriate.

(b) The General Partners shall be compensated from time to time for management and other services provided to the partnership. Compensation shall be in a reasonable amount.

(c) Balances of revenues and profits, if any, after payment of necessary expenses and compensation to General Partners, and after maintenance of necessary reserves, shall be distributed at periodic intervals, not less often than annually, as shall be determined by the General Partners, as follows:

The balance, if any, of distributable income in excess of reserves allocated under Sec. 9(a), and all losses in each fiscal year, shall be allocated (and distributed) pro-rata to all units.

(d) In the event of liquidation of the partnership, all proceeds shall be distributed in the following order of priority:

(1) To the payment of the debts and liabilities of the partnership and the expense of liquidation. For this purpose the liquidator, in his discretion, shall set up such reserves as may seem necessary for any contingent or unforeseen liabilities of the partnership.

(2) Current and unpaid compensation or reimbursement of expenses, owing to the General Partners.

(3) To the partners with respect to their shares of any undrawn profits for the fiscal year.

(4) The balance, if any, shall be paid pro-rata to all outstanding partnership units

10. The Right of Limited Partner To Distribution.

The following is the only right of a partner to receive, and of the general partners to make, distributions to

a partner, by way of return of all or any part of the partner's contribution:

In the event that the limited partner, Kenneth D. Huskinson, exercises his right and option to terminate his membership in the partnership, as provided in clause 8 hereof, then the partnership, and each general partner, shall be jointly and severally responsible and liable to pay to the withdrawing limited partner, Kenneth D. Huskinson, the fair value of his partnership units. Value shall be determined in accordance with the provisions of clause 12(c) and (e) hereof. In the event the general partners elect to continue the partnership then the price shall be paid to the withdrawing limited partner in accordance with the provisions of clause 12(d) hereof. If the general partners do not elect to continue the partnership, but rather to dissolve the same, then the limited partnership shall receive, as to his units, the right to distributions as provided in clause 9 hereof.

11. Dissolution of Partnership.

The limited partnership shall be dissolved and its affairs wound up upon the first of the following events to occur:

(a) Retirement, death, bankruptcy, or insanity of a General Partner.

(b) The written agreement of all partners, general and limited, to terminate as of a stated date.

(c) Upon the election of the limited partner, pursuant to clause 8 hereof, to terminate his membership in the

partnership and the general partners then agree in writing to the dissolution of the partnership.

12. Continuance of Business.

(a) In the event of dissolution of the partnership, then a remaining General Partner, if there be one, or if not, any one or more limited partners may elect, by notice in writing to all interested parties within 30 days of dissolution, to become a substituted General Partner or Partners and to continue the business. But if a General Partner does not continue, then a limited partner or partners becoming a General Partner or Partners must pay to each partner who requests in writing (within 15 days) withdrawal of his partnership units, the value of the units of each partner not continuing or withdrawing. Value shall be determined and paid as provided in sub-paragraphs (c) and (d) hereof. If more than one limited partner elects to be a new General Partner, but not together, then the limited partners shall determine who shall be the new General Partner by majority vote of units; otherwise, the partnership shall be liquidated.

(b) The new General Partner shall have the right to form a new limited partnership and shall have the right:

(1) To transfer and convey the assets of the dissolved limited partnership to the new limited partnership, subject to liabilities;

(2) Amend this certificate to establish the new General Partner or Partners;

(3) Perform all such other acts or cause all such things to be done as shall be necessary or advisable for the formation of the new limited partnership.

(c) In the event of the formation of a new limited partnership, the value of each partnership unit, as to any non-continuing or withdrawing limited partner, shall be based upon book value adjusted to include fair market value of all tangible real property and personal property owned by the partnership. Partnership capital shall be allocated pro-rata to the all units. Any disputes as to value shall be arbitrated in accordance with sub-paragraph (e) hereof.

(d) The price of a partnership unit shall be payable seventeen (17) percent down, the balance shall bear interest at the average prime rate of banks doing business in Rexburg, Idaho, on the effective date of the withdrawal of the partnership interest, from such date, in five (5) equal annual installments of principal, plus accrued interest to the date of payment with each installment. The price shall be evidenced by a written promissory note, shall be a debt of the partnership and shall be secured by a mortgage or deed of trust on the partnership interest in real estate.

(e) In the event of any dispute as to the value of a partnership unit, upon an election for continuance of the business, then the continuing partner or partners shall appoint an appraiser, the non-continuing partner or partners (or representative thereof) shall appoint an appraiser, the two appraisers shall jointly appoint a third appraiser, and the

three appraisers shall determine, in compliance with this agreement, and by majority vote, the value of the partnership units being retired, which determination shall bind all parties.

13. Additional Agreements.

The partners agree to the following additional provisions:

(a) This certificate, and the partnership agreement contained herein, may not be amended by General Partners without consent in writing of the limited partners.

(b) Except as otherwise expressly herein provided, the partnership may not, by a General Partner, without written consent of the limited partners, do any of the following:

(1) Dissolve or wind up the limited partnership;

(2) Sell, exchange, lease, mortgage, pledge, or make any other transfer of all or substantially all of the assets of the limited partnership other than in the ordinary course of business;

(3) Incur any indebtedness other than in the ordinary course of business; nor

(4) Change the nature of the business.

(c) The limited partners shall not participate in the control of the business and shall not be liable for any obligations of the limited partnership.

(d) Any partner, with consent of the General Partners, may loan money to the partnership, from time to time, with the amount, interest, terms and repayment of each loan to

be evidenced by a written promissory note. Each such loan shall constitute a debt of the limited partnership.

(e) Adequate books of account shall be kept at all times under the supervision of the General Partners. The books shall be open to inspection by any limited partner, or his accredited representative, at any reasonable time.

(f) The partnership books shall contain a capital account and an income account for each partner. Profits and losses shall be credited or debited to an individual income account of each partner as soon as practicable after the close of each fiscal year. If there be no balance in the individual income account, net losses shall be debited to the individual capital accounts. If there be no balance in the capital account of a partner, or if the capital account shall have been depleted by the debiting of losses under this paragraph, future profits of that partner shall not be credited to his income account until the depletion shall have been made good, but shall be credited to his capital account. After such depletion in this capital account shall have been made good his share of the profits shall thereafter be credited to his income account.

(g) The books of account shall be examined and reviewed at the close of each fiscal year by an independent public accountant designated by the General Partners, who shall make a report thereon. A copy of the report shall be furnished to each limited partner.

(h) The fiscal year of the partnership shall be the calendar year from January 1 to December 31 in the same year.

(i) The General Partners shall have equal rights in the management of the partnership business. The General Partners shall not be required to devote their entire business time to this partnership. They may have other businesses and/or employment. They agree to devote such time and attention to this enterprise as may be necessary, in their discretion, for the successful functioning and completion of the work of the partnership.

(j) Each party hereto shall execute such other and further instruments and shall perform such additional acts as are necessary to effectuate this partnership and to carry on its business.

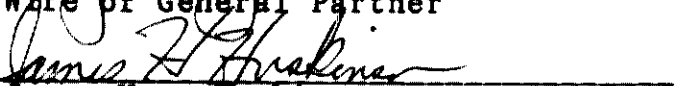
(k) The wife of each general partner executes this certificate and agreement to show her consent hereto. Such execution shall not be construed to change the separate or community property nature of the interest of a general partner.

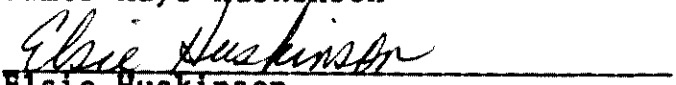
EXECUTED this 12th day of March, 1987.

"GENERAL PARTNERS"


Randy Scott Huskinson


Jenny Huskinson
Wife of General Partner


James Hays Huskinson


Elsie Huskinson
Wife of General Partner

"LIMITED PARTNER"


Kenneth D. Huskinson

STATE OF IDAHO,)
) ss.
County of Madison.)

On this 12th day of March, 1987, appeared Randy Scott Huskinson, Jenny Huskinson, James Hays Huskinson, Elsie Huskinson, and Kenneth D. Huskinson, known to me to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same.

Portia Jenkins

Notary Public for Idaho
Residing at: *Ashton, Id.*
My Commission Expires: *9/4/91*