
AMENDED

AGREEMENT OF LIMITED PARTNERSHIP

OF

FUZE VENTURES, LP

Table of Contents

ARTICLE I GENERAL

ARTICLE II PARTNERS, CAPITALIZATION AND ASSESSMENTS

ARTICLE III GENERAL PARTNERS

ARTICLE IV MANAGEMENT AND OPERATION

ARTICLE V RIGHTS AND OBLIGATIONS OF LIMITED PARTNERS

ARTICLE VI TRANSFER AND ASSIGNMENT OF PARTNERSHIP INTERESTS

ARTICLE VII ACCOUNTING, RECORDS AND REPORTS

ARTICLE VIII DISTRIBUTIONS AND ALLOCATIONS TO PARTNERS

ARTICLE IX TERMINATION AND DISSOLUTION

ARTICLE X INDEMNIFICATION

ARTICLE XI MISCELLANEOUS PROVISIONS

**AMENDED AGREEMENT OF LIMITED PARTNERSHIP
OF
FUZE VENTURES, LP,
A TEXAS LIMITED PARTNERSHIP**

THIS AMENDED AGREEMENT OF LIMITED PARTNERSHIP is made and entered into effect the ___ day of December, 2012, by and among Fuze Management, Inc., a Delaware corporation (the "Managing General Partner") whose address is 160 Greentree Drive, Suite 101, Dover, Delaware 19904 and all of the parties listed on Exhibit "A" attached hereto admitted to the Partnership created hereby as Limited Partners (the "Limited Partners"). All capitalized terms used herein shall have the meaning assigned thereto in Section 1.7 hereof, unless otherwise defined elsewhere herein.

ARTICLE I

GENERAL

1.1: Formation of Partnership. The parties hereby form a limited partnership pursuant to the provisions of Title 4, of the Texas Business Organization Code, and in accordance with the further terms and provisions hereof. Each Limited Partner shall immediately execute all such certificates and other documents conforming hereto as necessary for the General Partner to accomplish all filing, recording, publishing and other acts appropriate to comply with all requirements for the formation and operation of a limited partnership under the laws of the State of Texas and for the formation, qualification and operation of a limited partnership (or a partnership in which the Limited Partners have limited liability) in all other jurisdictions where the Partnership shall propose to conduct business.

1.2: Name. The name of the Partnership shall be "FUZE VENTURES, LP". The Managing General Partner in its sole and absolute discretion may change the name of the Partnership at any time and from time to time, or operate the Partnership under different names in any jurisdiction in which the Partnership does business.

1.3: Principal Business. The purposes for which the Partnership is organized are:

- (a) To diversify the investments held by each Partner, thereby reducing the risk to each Partner;
- (b) To purchase, acquire, own, hold, develop, manage, improve, maintain, repair, lease, rent, mortgage, encumber, sell, and dispose of securities, real property, personal property, and/or such other assets as the Managing General Partner shall in its sole discretion, determine from time to time to be appropriate for holding, ownership or investment by the Partnership, or any interest therein, whether on its own behalf or in association with others as joint venturer, partner or otherwise;
- (c) To invest, reinvest and hold for investment or other purposes beneficial to the Partners the assets of the Partnership, and to carry on one or more enterprises, ventures, or other activities as the Managing General Partner may from time to time determine in its sole discretion;
- (d) To carry out any and all activities not prohibited under the Act; and
- (e) To perform any acts the Managing General Partner in its sole discretion determines to be necessary, desirable or convenient to accomplish the foregoing purposes and all things incident thereto, except to the extent specifically provided herein.

1.4: Principal Place of Business. The location of the principal place of business of the Partnership is 790 West Sam Houston Parkway North, Suite 202, Houston, Texas 77024 or such other place or places as the Managing General Partner determines. The place of residence or principal place of business of each Limited Partner shall be as set forth on Exhibit "A" attached hereto. All such addresses shall be subject to change upon notice pursuant to Section 11.1 hereof.

1.5: Registered Agent. The Registered Agent of the Partnership for service is Loren R. Cook & Associates, Ltd., LLP. The registered office of the Partnership is 790 West Sam Houston Parkway North, Suite 202, Houston, Texas 77024.

1.6: Term. The Partnership shall be effective from and after the date that first appears on this document. The Partnership shall terminate on the earlier to occur of:

- (a) December 31, 2061; or
- (b) such date as is required by Section 9.1 hereof.

1.7: Definitions. For the purposes of this Agreement, the following terms shall have the meanings indicated:

"**ACT**" means the Texas Business Organization Code, as from time to time amended.

"**AFFILIATE**" with respect to the General Partner, means any person directly or indirectly controlling, controlled by or under common control with the General Partners.

"**AGREEMENT**" or "**PARTNERSHIP AGREEMENT**" means this Limited Partnership Agreement between the General Partner and the Limited Partners, together with all amendments hereto.

"**CAPITAL ACCOUNTS**" of the Partners shall be determined and maintained in accordance with the rules of Treasury Regulation Section 1.704-1(b)(2)(iv) and, to the extent consistent therewith, each Partner's Capital Account shall be increased by:

- (a) the amount of money contributed by such Partner to the Partnership;
- (b) the fair market value of any property contributed by such Partner to the Partnership (net of any liabilities securing such contributed property that the Partnership is considered to assume or take subject to under Code Section 752);
- (c) allocations to such Partner of income or gain (including tax exempt income) pursuant to Article VIII but excluding any income or gain described in Treasury Regulation Section 1.704-1(b)(4)(i);
- (d) the amount of Partnership liabilities assumed by such Partner or secured by any Partnership property distributed to such Partner other than the liabilities referred to in paragraph (f) below;

and each Partner's Capital Account shall be decreased by:

- (e) the amount of any money distributed to such Partner by the Partnership;

(f) the fair market value of any property distributed to such Partner by the Partnership (net of any liabilities securing such distributed property that such Partner is considered to assume or take subject to pursuant to Code Section 752);

(g) the amount of losses, costs and expenses allocated to such Partner under Article VIII;

(h) allocations to such Partner of expenditures of the Partnership described in Code Section 705(a)(2)(B); and

(i) the amount of any liabilities of such Partner assumed by the Partnership or secured by any property such Partner contributes to the Partnership other than the liabilities referred to in paragraph (b) above.

"CAPITAL TRANSACTIONS" means the sale, exchange or refinancing of all or a portion of the Partnership's Property.

"CAPITAL CONTRIBUTION" means the fair market value of the Property such Partner is contributing to the Partnership. The Partners agree that the value of the Property contributed to the Partnership by each Partner shall be as set forth on Exhibit "B" attached hereto.

"CERTIFICATE" means the Certificate of Formation filed with the Secretary of State of the State of Texas as required by the Act and as from time to time amended, or such similar instrument as may be required to be filed by the laws of any other state in which the Partnership intends to conduct business.

"CODE" means the Internal Revenue Code of 1986, as from time to time amended and any federal legislation that may be substituted therefor.

"FEDERAL INCOME TAX ITEMS" means Profits, Losses, Gain From Capital Transactions and Loss From Capital Transactions.

"GAIN FROM CAPITAL TRANSACTIONS" means income or gain of the Partnership as determined for federal income tax purposes as a result of the sale, exchange, or refinancing of all or a portion of the Partnership's property.

"GENERAL PARTNERS" means the persons herein identified as the General Partners and those other persons admitted from time to time as General Partners pursuant hereto or the Act. Whenever the context shall allow, reference to "General Partners" shall be to the General Partner during such times as there shall be a sole General Partner.

"HOLDER OF RECORD" means the person in whose name a Partnership Interest is then registered on the books and records of the Partnership pursuant to Section 2.5 hereof. A Holder of Record does not include any Person who receives the rights to distributions from and allocations of Federal Income Tax Items of the Partnership by levy, foreclosure, charging order, execution or other similar proceeding.

"INCAPACITY" means when (i) an individual is declared or adjudicated as such by a court of competent jurisdiction, (ii) a guardian, conservator, or other personal representative of an individual's person or estate has been appointed by a court of competent jurisdiction, or (iii) an individual is certified as such in writing by at least two licensed physicians.

"LIQUIDATOR" means the Liquidator(s) designated in Section 9.2 hereof to handle the liquidation of the Partnership.

"LIMITED PARTNERS" means those persons herein identified as limited partners and those other persons admitted from time to time as limited partners pursuant hereto or the Act.

"LOSSES" means each item of loss, deduction and credit of the Partnership as determined for federal income tax purposes, but excluding Loss From Capital Transactions.

"LOSS FROM CAPITAL TRANSACTIONS" means any loss of the Partnership as determined for federal income tax purposes as a result of the sale, exchange or refinancing of all or a portion of the Partnership's property.

"MANAGING GENERAL PARTNER" means Fuze Management, Inc. and those other persons designated from time to time as Managing General Partner pursuant hereto or the Act.

"NET CASH FLOW" means monies available from the operation of the Partnership without deduction for depreciation, amortization or any other non-cash expenses, but after deducting monies used to pay or establish a reserve for all other expenses, debt payments, improvements and repairs related to the operation and administration of the Partnership.

"NET PROCEEDS" means the amount realized by the Partnership on the disposition of, or any other capital transaction involving, a Partnership property, less all fees, costs or expenses paid or to be paid with respect thereto and the amount of indebtedness (if any) of the Partnership paid or to be paid from such monies.

"PARTNERS" means the General Partner and all of the Limited Partners of the Partnership.

"PARTNER" means any Limited Partner or the General Partner of the Partnership, as the context requires.

"PARTNERSHIP" means this partnership formed under Title 4 of the Texas Business Organization Code in accordance with the terms and provisions of this Agreement and known as FUZE VENTURES, LP

"PARTNERSHIP CAPITAL" means the total capital contribution to the Partnership actually made or paid by the General Partners and Limited Partners with respect to the acquisition of a Partnership Interest in the Partnership.

"PARTNERSHIP INTEREST" or "INTEREST" means each Partner's percentage ownership in the Partnership as set forth in Exhibit "A" attached hereto, as adjusted after the Partnership receives the Capital Contribution of the assets contributed by each Limited Partner to the Partnership.

"PARTY" means a signatory to this Agreement or (during the lifetime of such signatory) a grantor trust created by such signatory.

"PERSON" OR "PERSONS" means an individual, corporation, partnership, joint venture, trust or any other entity.

"PROFITS" means each item of income and gain of the Partnership, as determined

for federal income tax purposes, but excluding Gain From Capital Transactions.

"PROPERTIES" means the real, personal and intangible assets contributed or to be contributed to the Partnership by the General Partners pursuant to Section 2.4 and by the Limited Partners pursuant to Section 2.3.2, and all other interests, rights and assets of any type owned by the Partnership. The initial Properties shall be as set forth on Exhibit "B" attached hereto. The term **"Property"** means a single asset which is included in the "Properties".

"SUBSTITUTE LIMITED PARTNER" means any person not previously a Limited Partner who purchases or otherwise acquires from a Limited Partner a Partnership Interest and is admitted to the Partnership as a Substitute Limited Partner in accordance with the terms of this Agreement.

"VOTE" refers to the right of the Partners subject to all limitations set forth below and elsewhere in this Agreement, to decide any matter that may be submitted for decision by the Partners in accordance with the express written terms of this Agreement or under the provisions of the Act. The vote of the General Partners shall constitute two percent (2%) of the total votes cast and the votes of all Limited Partners shall constitute ninety-eight percent (98%) of the total votes cast. Each Limited Partner shall be entitled to cast one vote for every one percent (1%) Partnership Interest held of record by him on the date when notice is given of the matter to be voted on or consented to by the Limited Partners.

"Simple Majority Vote" means a vote of the Partners of over fifty percent (50%).

"Required Vote" means a vote of the partners of at least sixty-five percent (65%).

"Unanimous Vote" means a vote of one hundred percent (100%) of the Partners.

ARTICLE II

PARTNERS, CAPITALIZATION AND ASSESSMENTS

2.1: Managing General Partner. Except as otherwise provided in this Agreement, the Managing General Partner of the Partnership, shall have the sole, exclusive and absolute right and authority to act for and on behalf of the Partnership and all of the Partners in connection with all aspects of the business of the Partnership.

2.2: Purchase of Limited Partner's Partnership Interest by General Partner. The General Partners may purchase a selling Limited Partner's Partnership Interest pursuant to Article VI hereof. No purchase of any Limited Partnership Interest by the General Partner shall reduce its liability as General Partner of the Partnership.

2.3: Limited Partner's Partnership Interest. The Limited Partners in the Partnership shall own ninety-eight percent (98%) of the Partnership Interests.

2.3.1: Time of Admission. A person shall be deemed to have been admitted as a Limited Partner:

(a) On the date this Agreement is fully executed by the General Partners and all Limited Partners with respect to all initial Limited Partners and the General Partners execute a Certificate of Formation which is filed with the Secretary of State of Texas, or

(b) If applicable, with respect to any additional Limited Partners or Substitute Limited Partners on the first day of the calendar month following the month in which such person complies with Article VI hereof.

2.3.2: Contribution to Capital by Limited Partners. Each Limited Partner shall contribute those Properties (or portions thereof) set forth opposite each of their respective names on Exhibit "B" attached hereto. Each Limited Partner shall receive such portion of ninety-eight percent (98%) of the Partnership Interests as is equal to the amount that the Capital Contribution of the portion of the Property contributed by such Limited Partner bears to the sum of the Capital Contribution of all of the Properties contributed to the Partnership by all Limited Partners. With the prior written consent of the Managing General Partner, a Limited Partner may, if he elects to do so, make additional capital contributions from time to time. No Limited Partner is required to make any additional capital contributions to the Partnership. The Partnership agrees to pay the liabilities of a contributing Partner on all indebtedness secured by liens upon such Properties contributed and agrees to indemnify the contributor with respect thereto. Notwithstanding anything in this Agreement to the contrary, if at any time it is determined by a court of competent jurisdiction that at the time of its contribution to the Partnership the value of a Property did not exceed the total of all indebtedness secured by valid lien(s) upon such Property, then such Property is deemed not to have been contributed to the Partnership and title to said Property shall revert to the Limited Partner who contributed same, effective as of the date of such Property's contribution to the Partnership.

2.3.3: Execution by Limited Partners. By executing the Agreement, each Limited Partner subscribes and agrees to contribute to the capital of the Partnership, those amounts of Properties (or portions thereof) as set forth opposite each of their respective names on Exhibit "B" attached hereto.

2.4: Registration; Rights of Holders of Record. Upon the admission of a person as a Limited Partner, such person shall be registered on the records of the Partnership as a Limited Partner and a Holder of Record, together with his address and his amount of Partnership Interest. Upon the assignment of a Limited Partnership Interest pursuant to the terms of Article VI hereof, the assignee of such Partnership Interest shall be registered on the records of the Partnership as a Holder of Record, together with his address and his Partnership Interest.

A Holder of Record shall be entitled to all distributions and all allocations of Net Cash Flow, Net Proceeds, and Federal Income Tax Items with respect to the Partnership Interest registered in his name in the manner specified in Article VIII until his rights in such Partnership Interest have been transferred as permitted by this Agreement and the General Partners have been notified as required herein. The payment to the Holder of Record of any allocation or distribution with respect to such Partnership Interest shall be sufficient to discharge the Partnership's obligation in respect thereto.

2.5: Continuation of Limited Partner Status. No event, including but not limited to the admission of a Substitute Limited Partner, the transfer of a Partnership Interest by a Limited Partner, the expulsion of a Limited Partner from the Partnership, the forfeiture of a Partnership Interest, and retirement, death, disability, or bankruptcy of a Limited Partner shall entitle a Limited Partner to withdraw from the Partnership. Once admitted as a Limited Partner, a person shall continue to be a Limited Partner for all purposes of this Agreement and the Act until the Managing General Partner consents in writing to the admission of a Substitute Limited Partner pursuant to Section 6.2 herein.

2.6: Initial Capitalization. The Partnership shall have as its initial capitalization an amount equal to the Limited Partners' initial capital contribution plus the General Partners' initial capital contribution. Upon

acceptance of Limited Partners, the names, addresses and amount of the capital contributions of each such Limited Partner and the aggregate amount of such initial contributions by the Partners shall be set forth in Exhibits "A" and "B" of this Agreement.

2.7: Return of Capital. No Partner has the right to require the return of all or any part of his capital contribution(s) or a distribution of any property from the Partnership prior to its termination and dissolution except as otherwise provided in Section 2.12 herein.

The General Partner shall not be personally liable for the return of the capital contributions of the Partners if and to the extent that any return is required. Any such return shall be made solely from the assets of the Partnership. If any Partner shall receive the return, in whole or in part, of his capital contribution, he shall nevertheless be liable to the Partnership, to the extent provided in the Act, for the sum returned, together with interest thereon, to the extent necessary to discharge the Partnership's liabilities to creditors who extended credit to the Partnership or whose claims against the Partnership arose prior to such return or as otherwise provided under applicable law.

2.8: Interest on Capital. No interest shall be payable on any capital contributions made to the Partnership or on any Capital Account.

2.9: Capital Account. An individual Capital Account shall be maintained for each of the Partners as provided for in Section 1.7 herein.

2.10: Liability for Continuing Obligations. Upon the bankruptcy, insolvency, death, disability or other change in circumstances of a Partner prior to completion of such Partner's obligations to complete certain payments pursuant to this Agreement, such Partner's estate, legal representative or successor shall have the status of the Partner and of such Partner's rights and responsibilities.

2.11: Status of Partnership Interest. Except as otherwise provided in this Agreement, the Partnership Interest owned by the Limited Partners shall be fully paid and non-assessable. The Limited Partners shall not have the right to withdraw or reduce their capital contributions to the Partnership except as a result of (i) the dissolution and termination of the Partnership, or (ii) as otherwise provided in this Agreement.

2.12: Custodian. Michael Reed shall hold the limited partnership interest of this Partnership as a custodian and for the benefit of Forrest Threadgill and Morgan Threadgill until the said persons reach the age of eighteen (18) at which time the applicable limited partnership interest shall automatically be held directly by Forrest Threadgill or Morgan Threadgill with no action required by any party.

ARTICLE III

GENERAL PARTNERS

3.1: Rights and Duties. At all times during the term of the Partnership, the Managing General Partner shall be the sole manager of the Partnership and shall have the sole, absolute, and exclusive power, authority and discretion in the conduct of the business and affairs of the Partnership without the concurrence, agreement or confirmation of any Limited Partner or other General Partner, except as expressly provided in Sections 2.3.1(a), 4.6, 9.1(a) and 11.11 of this Agreement. At no time during the term of the Partnership shall any Limited Partner have any authority whatsoever to take any action on behalf of the Partnership or to obligate the Partnership to any third party. Any action by any Limited Partner inconsistent with this Section 3.1 shall subject such Limited Partner to the provisions of Section 5.3 hereof.

3.2: Reimbursement and Compensation to the General Partners. The General Partners shall receive as full and complete compensation for their services as general partners the following amounts:

3.2.1: Management Fees. The General Partners shall be entitled to receive, in consideration for services to be performed for the Partnership pursuant to the terms and conditions of this Agreement, including without limitation their management of the Partnership and preparation of reports to all Partners, a fair and reasonable management fee, as determined by the Managing General Partner in a manner consistent with their duties to the Partnership, which management fee shall be based upon the General Partners' actual time devoted to the Partnership and administration of the Partnership, the relative financial benefit accruing to the Partnership as the result of the General Partners' management and such other fees as shall be reasonable under all of the facts and circumstances. Such fees shall be paid as, if, and when such funds shall become available to the Partnership.

3.2.2: Participation in Revenues. The General Partners will be entitled to receive the allocations and distributions set forth in Article VIII.

3.2.3: Data Gathering Fees. The General Partners shall be entitled to receive, in consideration for services to be performed for the Partnership pursuant to the terms and conditions of this Agreement, including without limitation their role in gathering business data on behalf of the Partnership, a fair and reasonable Data Gathering fee, as determined by the Managing General Partner in a manner consistent with their duties to the Partnership. Data Gathering fees shall be based upon the collection of all information and data requested by Company for the Company's performance.

3.3: Interest of the General Partners in Certain Transactions. The General Partners shall not be deemed to have received commissions, fees or other compensation paid to any firm, proprietorship, partnership or corporation that is an Affiliate, or in which the General Partners, or any partner, officer, director or employee thereof or any member of any such person's respective immediate family, owns a beneficial interest.

3.4: Successor Managing General Partner. In the event of the bankruptcy of the Managing General Partner named in this Agreement (the "Named Managing General Partner"); the death, incapacity or dissolution of the Named Managing General Partner, as the case may be; the removal, withdrawal or resignation of the Named Managing General Partner as Managing General Partner; or the resignation or removal of the Named Managing General Partner as General Partner, then, any designee named and voted on by Unanimous Vote of the Limited Partners shall automatically become the new Managing General Partner (the "Second Managing General Partner"). Thereupon, in the event of the bankruptcy of the Second Managing General Partner; the death, incapacity or dissolution of the Second Managing General Partner, as the case may be; the removal, withdrawal or resignation of the Second Managing General Partner as Managing General Partner; or the resignation or removal of the Second Managing General Partner as General Partner, then, any designee named and voted on by Unanimous Vote of the Limited Partners shall automatically become the new Managing General Partner (the "Third Managing General Partner"). Thereupon, in the event of the bankruptcy of the Third Managing General Partner; the death, incapacity or dissolution of the Third Managing General Partner, as the case may be; the removal, withdrawal or resignation of the Third Managing General Partner as Managing General Partner; or the resignation or removal of the Third Managing General Partner as General Partner, the Limited Partners shall elect by a Unanimous Vote another successor Managing General Partner.

3.5: Voluntary Withdrawal of a General Partner. A General Partner may voluntarily withdraw from the Partnership upon thirty, (30) days written notice to the Partners. Such notice requirement may be shortened or waived by the Partners, in their sole discretion. Upon the withdrawal of a General Partner, the General Partner shall not be deemed to be liable with respect to any debts or liabilities that the Partnership incurs subsequent to the date of withdrawal, provided that such withdrawal shall not diminish or in any way affect any debts or liabilities that the Partnership incurred prior to such date.

3.6: Resignation as Managing General Partner. A Managing General Partner may voluntarily

resign as the Managing General Partner of the Partnership upon thirty (30) days written notice to the Partners. Such notice requirement may be shortened or waived by the Partners in their sole discretion. The successor Managing General Partner shall be determined in accordance with Section 3.4 hereof.

3.7: Right of the General Partner Upon Removal or Withdrawal. If a General Partner is removed in accordance with Section 5.5 hereof, or a General Partner withdraws in accordance with Section 3.5 hereof, or ceases to be a general partner by operation of law, or otherwise, the removed General Partner (with the approval of a Simple Majority Vote of the Limited Partners) may sell all or a portion of its Partnership Interest to the new General Partner upon such terms and conditions as they may mutually agree. If the Partnership Interest of the removed or withdrawing General Partner is not purchased by the incoming General Partner:

(a) the new General Partner shall purchase a general partnership Interest from the Partnership, or

(b) if such new General Partner owns a limited partnership Interest, he shall convert such portion of his limited partnership Interest to a general partnership Interest that equals the amount of the general partnership Interest of the removed or withdrawing General Partner.

The Interest of the removed or withdrawing General Partner shall become a limited partnership Interest and be assigned to the removed or withdrawing General Partner by the Partnership. The removed or withdrawing General Partner holding such limited partnership Interest shall automatically become a Substitute Limited Partner.

ARTICLE IV

MANAGEMENT AND OPERATION

4.1: Managing General Partner to Manage. Except as otherwise expressly provided in Sections 2.3.1(a), 4.6, 9.1(a) and 11.11, the Managing General Partner shall make all decisions affecting the business and affairs of the Partnership and use its best efforts to carry out the purposes for which the Partnership was organized. In addition to any other rights and powers which it may possess under applicable law or pursuant to this Agreement, the Managing General Partner shall have all specific rights, powers, and authorities required or appropriate to its management of the Partnership which shall include without limitation the following rights, powers, and authorities to be exercised in such manner, in such form, at such times, and to such extent as the Managing General Partner, in its sole discretion, determines:

(a) to acquire, hold, lease, encumber, pledge, option, sell, exchange, transfer, dispose or otherwise deal with real or personal property (or rights or interests therein) of any nature whatsoever as may be necessary or advisable for the operation of the Partnership;

(b) to borrow or lend money for Partnership purposes and, if security is required for the borrowing thereof, to execute and deliver all instruments, deeds of trust, mortgages, security agreements, assignments, and other security documents relating to all or a portion of the assets of the Partnership as may be necessary or advisable for the operation of the Partnership. For purposes hereof, the borrowing or lending of money for Partnership purposes shall include: (i) lending money to Partners, Affiliates or other persons or entities, whether related or unrelated, or borrowing money from any of the foregoing, upon such terms and conditions as the Managing General Partner shall determine in its sole and absolute discretion; and (ii) the guaranteeing of, or pledging the Partnership Property for any of the foregoing loans, or for loans to or from Partners, to or from Affiliates, or to or from other persons or entities, all as determined in the sole and absolute discretion of the Managing General Partner;

(c) to negotiate and enter into contracts, agreements, or arrangements concerning the purposes for which the Partnership is organized and/or concerning assets of the Partnership as may be necessary or advisable for the operation of the Partnership, including, but not limited to purchase, joint venture, development, management and option agreements, deeds, assignments and leases;

(d) to employ persons, agents, outside consultants, and independent contractors as may be necessary or advisable for the operation of the Partnership;

(e) to pay all expenses reasonably incurred in the operation or administration of the Partnership and to establish reserves for liabilities and obligations of the Partnership whether contingent or otherwise, including but not limited to expenses, charges and fees relating to:

(1) the acquisition, preservation, protection or perfection of title to the Partnership's property, including insurance thereon;

(2) the maintenance, operation or management of any Partnership property;

(3) travel expenses, professional fees, attorney's fees and court costs;

(4) taxes on real or personal property owned by the Partnership;

(5) interest on any loan to the Partnership;

(6) normal closing costs (in the event of a sale or transfer of all or any part of the Partnership's property);

(7) expenses incurred in connection with the negotiation for, or consummation of financing or renewing, rearranging or refinancing any indebtedness on the Partnership's property; and

(8) the management fees owed to the General Partners pursuant to Section 3.2.1 herein;

(f) to pay on behalf of the Partnership (and be reimbursed for) any and all organizational expenses incurred in the creation of the Partnership including, without limitation, legal and accounting fees;

(g) to take and hold title to property, execute evidences of indebtedness or other obligations or instruments in its name or the name of a nominee all on behalf of the Partnership and with or without disclosing the true owner or party in interest thereto. The Partnership shall be solely entitled to all rights, titles and interests held by the Managing General Partner or nominee on behalf of the Partnership and solely liable for all expenses, costs and other obligations incurred in connection therewith. All such instruments so executed may be transferred into the name of the Partnership by assignment or otherwise or held in the name of the Managing General Partner or nominee as the Managing General Partner determines; provided, always, that the Managing General Partner shall keep as part of the books and records of the Partnership and properly account on its books for each such contract, deed, note or other instrument indicating the nominee parties thereto, date thereof and general description of such document;

(h) to execute and deliver any and all instruments to effectuate the foregoing and to take all such actions as may be necessary or advisable for the operation of the Partnership;

(i) to determine the use of the revenues of the Partnership for Partnership purposes;

(j) to control any matters affecting the rights and obligations of the Partnership, including the employment of attorneys to advise and represent the Partnership, the conduct of any litigation and the settlement thereof, and any other incurring of legal expenses;

(k) to admit one or more additional Limited Partners, at any time or from time to time, without the consent of the Limited Partners, upon such terms and conditions as the Managing General Partner shall deem appropriate in its sole and absolute discretion. Additional Limited Partners shall be entitled to all of the rights and privileges of the original Limited Partners hereunder and shall be subject to all of the obligations and restrictions, and in all other respects their admission shall be subject to all of the terms and provisions of this Agreement;

(l) to act as the "tax matters partner" as described in Code Sections 6221 to 6233. The Managing General Partner is authorized to enter into settlement agreements with the Internal Revenue Service on behalf of all Partners with respect to Partnership Items (as defined in Code Section 6231(a)(3)), and the Limited Partners (except if any Limited Partner has filed a statement described in Code Section 6224(c)(3)(B)) agree to be bound by the terms of any settlement agreement entered into by the Managing General Partner as tax matters partner on behalf of all Partners. Pursuant to this authorization, the Limited Partners agree to execute such further documents as may be necessary or desirable to cause the settlement agreement to be binding on them and not to exercise any right or undertake any other action which is inconsistent with any settlement agreement entered into by the Managing General Partner on their behalf. The tax matters partner shall: (i) keep the Limited Partners reasonably informed as to the status of all administrative and judicial tax proceedings; (ii) file with the Internal Revenue Service a request for administrative adjustment if the tax matters partner deems such to be appropriate; and (iii) file a petition in a court of competent jurisdiction regarding any dispute with respect to Partnership Items which the tax matters partner deems appropriate; and

(m) to execute powers of attorney, consents, waivers and other documents that may be necessary before any court, administrative board or agency of any governmental authority, affecting the properties owned by the Partnership.

4.2: Third Parties. No person dealing with the Managing General Partner shall be required to determine his authority to make any undertaking, or to execute any document or instrument on behalf of the Partnership, nor to determine any fact or circumstance bearing upon the existence of such authority, and any such document, instrument or undertaking shall contain such provisions as the Managing General Partner may deem appropriate or expedient. Any document or instrument, when executed by the Managing General Partner, shall be as to third parties conclusive evidence that the execution of such document or instrument is the act of and binding upon the Partnership. Furthermore, no person dealing with the Managing General Partner shall be required to determine or see to the application or distribution by the Managing General Partner of any sums paid or assets transferred by such person to the Partnership or the Managing General Partner.

4.3: Obligations of the Managing General Partner as Partnership Manager. The Managing General Partner shall use its good faith efforts to manage the Partnership affairs in a prudent and businesslike manner, and in accordance with good practices in the industry. The Managing General Partner

at all times shall act in the best interests of the Partnership in fulfillment of the purposes herein expressed.

4.4: Insurance Coverage. To protect Partnership assets, the Managing General Partner may procure or cause to be procured and maintain or cause to be maintained in force or contract with others to obtain and maintain in force such insurance as in its judgment it deems prudent to serve as protection against liability for loss and damage that may be occasioned by the activities of the Partnership. The cost of obtaining such insurance shall be charged to and borne by the Partnership.

4.5: Reliance Upon Experts. The Managing General Partner may employ or retain such counsel, accountants, engineers, appraisers or other experts or advisors as it deems appropriate for the purpose of discharging its duties hereunder, and shall be entitled to pay the fees of any such persons from the funds of the Partnership. The Managing General Partner may act and shall be protected in acting in good faith on the opinion or advice of, or information obtained from any such counsel, accountant, engineer, appraiser or other expert or advisor, whether retained or employed by the Partnership, the Managing General Partner, or otherwise, in relation to any matter connected with the administration or operation of the business and affairs of the Partnership.

4.6: Acts Not Authorized. The General Partners are expressly not authorized to do any act or enter into any contract or other transaction that would:

- (a) Make it impossible to carry on the ordinary business of the Partnership, provided, however, the sale or other disposition of all or any portion of the Partnership Property shall not be deemed to be an act making it impossible for the Partnership to carry on its ordinary business;
- (b) Confess a judgment against the Partnership;
- (c) Result in a possession of Partnership property or assignment of the Partnership's rights in specific Partnership property, other than for a Partnership purpose; or
- (d) Admit or substitute a person as a general partner of the Partnership, except with a Required Vote of the Limited Partners.

4.7: Other Permissible Activities. No Partner is prevented hereby from engaging in other activities for profit, whether as an investment, an active business or otherwise. It is expressly understood and agreed that the General Partners shall not be required to devote their entire business time or business resources to the business of the Partnership. The General Partners and their Affiliates have and in the future may engage in other businesses including but not limited to the organization and management of additional partnerships, limited partnerships, or joint ventures for investment in real estate, securities or otherwise, and must necessarily divide their time between the business of the Partnership and their other activities. The General Partners and their Affiliates are hereby authorized, during the life of the Partnership, to acquire real and personal properties and not offer the same to the Partnership.

4.8: Meetings of Partners. Except as specifically provided for herein, the Managing General Partner shall not be required to hold meetings of Partners. A quorum for a meeting of Partners shall be (i) all General Partners and (ii) such number of Limited Partners owning no less than sixty-five percent (65%) of the Partnership Interests. Partners may either vote in person at any such meeting or give their proxy to the Managing General Partner which designates the Managing General Partner as their lawful agent to vote on all matters coming before the meeting. Notice of a meeting of Partners shall be given by the Managing General Partners to the Partners at least one (1) day prior to holding the meeting. In lieu of a meeting, the Managing General Partner may obtain a written consent in lieu of a meeting which is executed by Partners owning no less than the required Partnership Interests necessary for a proper Vote.

Notwithstanding the above, the Managing General Partner may, in its sole and absolute discretion, upon one (1) day prior written notice to the Partners, amend the rules and procedures regarding meetings of Partners or written consents of Partners in lieu of meetings. Provided, however, the Managing General Partner may not change the specified voting percentage necessary to approve an action.

4.8.5: Voting. Except as otherwise expressly provided in this Agreement, a Simple Majority Vote shall be sufficient to pass and approve any matter submitted to a Vote of the Partners. Whenever a Vote of the Partners is required or permitted, a written consent to the action to be taken signed by the Partners holding the required percentage may be used in lieu of holding a formal meeting at which a Vote is taken. The rights of the Limited Partners to require or be permitted to vote on any matter shall be subject to and conditioned on the requirements set forth in Section 4.8 hereof.

4.9: Opinion of Counsel. Subject to the other provisions of this Agreement, the Managing General Partner may condition the holding of any meeting or the taking of any Vote upon the prior delivery to the Partnership, at the expense of the Partnership, of an opinion of counsel in form and substance satisfactory to the Managing General Partner, to the effect that neither the holding of such meeting nor the Vote of the Partners will:

- (a) change the Partnership from a limited partnership to a general partnership or result in the loss of any Limited Partner's limited liability status, or
- (b) adversely affect the federal income tax status of the Partnership.

4.10: Additional Funds. If the Managing General Partner determines that additional funds are required for the operations of the Partnership, the Managing General Partner shall take the following steps:

4.10.1: Third Party Loans. The Managing General Partner shall attempt to arrange for loan(s) from third party lenders on the best terms that the Managing General Partner is able to negotiate.

4.10.2: Notice to Limited Partners. If the Partnership is not able to obtain loans from third party lenders, the Managing General Partner shall give notice to the Limited Partners of the amount needed by the Partnership and the purpose for which the Partnership requires such additional funds.

4.10.3: Loans from Partners. The General Partners and/or any Limited Partner(s) may loan funds to the Partnership at a rate of interest not to exceed the highest non usurious lawful rate of interest permitted by applicable law and on such other terms and conditions as may be agreed upon at that time, including with respect to collateral for such loan. As to any funds so loaned, the General Partners or Limited Partner(s) shall be deemed general creditors of the Partnership and shall be entitled to be paid principal and interest thereon without regard to the income or profits of the Partnership.

4.10.4: Additional Capital Contributions. If the Partnership is unable to obtain loans from third party creditors or loans from Partners sufficient to satisfy the Partnership's need for additional funds, the Managing General Partner shall request the Limited Partners to make pro rata additional contributions of cash to the Partnership in the amount necessary to satisfy the Partnership's need for additional funds (the "Funding Shortfall"). All Limited Partners shall have the right (but not the obligation) to contribute a portion of the Funding Shortfall in the proportion that such Limited Partner's Percentage Interest in the Partnership bears to the Percentage Interest of all the Limited Partners (which shall be referred to herein as such Partner's "Proportionate Share"). The Partnership Interest of any Limited Partner failing to contribute his Proportionate Share (a "Non-Contributing Partner") shall be reduced by a percentage (such Partner's "Percentage Reduction") computed by dividing such

Partner's Proportionate Share by the sum of all previous contributions (under Sections 2.3 and 2.7 above) to the Partnership plus the amount of the Funding Shortfall actually contributed to the Partnership. A percentage equal to such Non-Contributing Partner's Percentage Reduction shall be added to the Percentage Interest of any Partner(s) contributing the Proportionate Share of such Non-Contributing Partner. If no Partner contributes such Non-Contributing Partner's Proportionate Share, a percentage equal to such Non-Contributing Partner's Percentage Reduction shall be added to the Percentage Interest of the Limited Partners who contribute their Proportionate Share. The terms of this provision are solely elective as to the Partners and do not create any rights in any third parties.

ARTICLE V

RIGHTS AND OBLIGATIONS OF LIMITED PARTNERS

5.1: Limited Liability. Upon full execution of this Agreement, the General Partners shall file the Certificate and the Limited Partners shall become limited partners within the meaning of the Act.

5.2: No Management Responsibility. At no time during the term of the Partnership shall any Limited Partner have any authority or right to take part in the management of the business or transact any business for the Partnership. All management responsibility is vested absolutely and exclusively in the General Partners. Any action by any Limited Partner inconsistent with this Section 5.2 shall subject such acting Limited Partner to the provisions of Section 5.3 hereof.

5.3: No Authority to Act. At no time during the term of the Partnership shall a Limited Partner have the power to act on behalf of, sign for or bind the Partnership. All authority to act on behalf of the Partnership is vested absolutely and exclusively in the General Partners. Any action of a Limited Partner that is inconsistent with the sole, exclusive and absolute right and authority of the General Partners shall:

(a) Constitute a breach of this Agreement on the part of the Limited Partner so acting, and

(b) The Managing General Partner shall provide such Limited Partner with notice (in the manner set forth in Section 11.1) of the breach. Such Limited Partner shall have five (5) days after he receives such notice of the breach to cure the breach (if such breach can be cured). If the breach is not cured within such five (5) day period, such Limited Partner shall be liable for any and all damages that may occur to the Partnership and all of the other Partners, but any such liability shall not extend to any creditor of the Partnership.

5.4: Rights of Limited Partners. A Limited Partner shall have the same rights as the General Partners to:

(a) Subject to Section 7.1 hereof, have the Partnership books kept at the principal place of business of the Partnership and at all reasonable times to inspect and copy at his expense any of them either in person or by his authorized representative;

(b) Subject to Section 7.1 hereof, have on demand for a proper purpose, true and full information of all things affecting the Partnership, and a formal accounting of Partnership affairs whenever circumstances render it just and reasonable;

(c) Subject to Section 7.1 hereof, have, on demand for a proper purpose, by mail a copy of the names, addresses and Partnership Interests of all Limited Partners; and

(d) Subject to the provisions of Section 4.8 hereof, propose and Vote on certain Partnership matters and amendments to the Agreement as provided herein.

5.5: Removal of a General Partner or a Managing General Partner. Limited Partners by obtaining a Required Vote shall have the right to remove a General Partner or the Managing General Partner in the event that such General Partner:

- (a) makes a general assignment for the benefit of creditors;
- (b) files a voluntary bankruptcy petition;
- (c) becomes the subject of an order for relief or is declared insolvent in any federal or state bankruptcy or insolvency proceedings;
- (d) files a petition or answer seeking for the General Partner a reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any law;
- (e) files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against it in a proceeding of the type described in paragraphs (a) through (d) above;
- (f) seeks, consents to, or acquiesces in the appointment of a trustee, receiver, or liquidator of all or any substantial part of the General Partner's properties;
- (g) is convicted of a crime involving moral turpitude; or
- (h) is convicted of a felony.

ARTICLE VI

TRANSFER AND ASSIGNMENT OF PARTNERSHIP INTERESTS

6.1: Assignment. A Limited Partner shall have the right to assign, transfer, encumber or pledge (herein, for purposes of this Article VI, "assign") the whole or any portion of his Partnership Interest by a written assignment, provided that: (i) the terms of such assignment are not in contravention of any of the provisions of this Agreement; (ii) such assignment is fully executed by the assignor and assignee; (iii) such assignment is received by the Partnership and recorded on the books thereof; and (iv) the transfer is approved by a Unanimous Vote of the Partners. In the event of such an assignment, the following rules shall govern:

- (a) The effective date of an assignment of a Partnership Interest shall be the date set forth on the written instrument of assignment.
- (b) Notwithstanding anything herein to the contrary, the Partnership and the General Partners shall be entitled to treat the assignor of such interest as the absolute owner thereof in all respects and shall incur no liability for distributions of cash or other property made in good faith to him until such time as the written assignment has been received by and recorded on the books of the Partnership and is otherwise effective in accordance herewith.
- (c) Except as provided in Section 6.1(b) above, the assignee of a Partnership Interest shall be entitled to receive distributions of cash or other property from the Partnership attributable to the interest acquired by reason of such assignment from and after

the effective date of the assignment of such interest to him.

(d) The division and allocation of Profits and Losses attributable to the Partnership Interest between assignor and assignee during any fiscal year of the Partnership shall be in accordance with the provisions of Section 8.6.6.

6.2: Substitution. No assignee of the whole or any portion of a Partnership Interest shall have the right to become a Substituted Limited Partner in place of his assignor unless all of the following conditions are satisfied:

(a) the assignor executes and acknowledges a written instrument of assignment together with such other instruments as the Managing General Partner may deem necessary or desirable to effect the admission of the assignee as a substituted Partner;

(b) such instrument of assignment has been delivered to, received and approved in writing by the Managing General Partner; and

(c) the unanimous written consent of all Partners to such substitution has been obtained, the granting or denial of which shall be within the sole and absolute discretion of each Partner and must be given by each Partner free of duress and of each Partner's free will.

6.3: Amendment of Certificate. The Managing General Partner shall take such steps as are necessary and/or required by the Act to effect an amendment of the Certificate and Exhibit "A" to this Agreement to reflect the substitution or addition of Limited Partners. For this purpose, the Managing General Partner shall have the authority to sign the amendment of this Agreement and the Certificate as attorney-in-fact for the assigning Limited Partner, the Substitute Limited Partner, and the remaining Limited Partners.

6.4: Expenses. The Managing General Partner may charge and receive from the selling Limited Partner an amount not exceeding \$1,000.00 to defray its costs and expenses, including attorney's fees, in effecting the transfer and registration on its books of such Interest in the Partnership thus sold.

6.5: Notice of Assignment. Notwithstanding anything in the partnership laws of the State of Texas to the contrary, no transfer of any Partnership Interest, although otherwise valid under this Agreement and the Act, shall be recognized by the Partnership until the transferor has given written notice thereof to the Managing General Partner and the transferee has become a Holder of Record.

6.6: Involuntary Assignment by a General Partner. Except as provided in Section 9.1(e) hereof, in the event a General Partner's Interest is taken or disturbed by levy, foreclosure, charging order, execution, or other similar proceeding, the Partnership shall not dissolve. The assignee of that General Partner's Interest shall receive only that General Partner's rights to distributions and allocations of Federal Income Tax Items of the Partnership and shall, in no event, have the right to interfere in the management or the administration of the Partnership business or affairs or to act as a General Partner. The assignee shall only have the right to receive distributions and allocations of Federal Income Tax Items attributable to the General Partner's Interest in the Partnership. Any General Partner whose Interest has been taken or disturbed under any circumstances described above shall automatically become a Substitute Limited Partner and the Interest of such General Partner shall become a limited partnership Interest.

Any entity to which an Interest under this Agreement is transferred pursuant to the provisions of the Bankruptcy Code, 11 U.S.C. §§ 101 et. seq., shall be deemed without further act to have assumed all of the obligations arising under this Agreement on or after the date of such assignment. Upon demand any such assignees shall execute and deliver to each other party to this Agreement an instrument confirming such assumption. Failure to deliver such instrument shall be deemed a default hereunder by the assignee.

6.7: Involuntary Assignment by a Limited Partner. In the event that a Limited Partner's Interest is taken or disturbed by levy, foreclosure, charging order, execution or other similar proceeding, the Partnership shall not dissolve but the assignee of said Limited Partnership Interest shall be entitled to no more than to receive distributions and allocations of Federal Income Tax Items attributable to the Limited Partner's Interest in the Partnership, in accordance with the percentages allowed under this Agreement and, in no event, shall said assignee have the right to interfere with the management or administration of the Partnership business or affairs or to become a Substitute Limited Partner except as may otherwise be provided herein.

6.8: Assignee's Tax Liability. An assignee of any Partnership Interest, whether of a General Partner or Limited Partner, shall receive the Federal and all relevant state Forms K-1 and report all income and loss on his or her income tax returns each year in accordance with Rev. Rul. 77-137, 1977-1 C.B. 178. A person who becomes an assignee pursuant to Section 6.6 or Section 6.7 will be an assignee and an assignee only for purposes of the other provisions hereof.

6.9: Death, Incapacity or Dissolution of a Limited Partner. Upon the death, adjudication of bankruptcy or Incapacity of a Limited Partner who is an individual, his legally authorized personal representatives shall have all the rights of a Limited Partner for the sole purposes of settling or managing his estate and shall have only such power as the Limited Partner possessed to make an assignment of his Partnership Interest in accordance with the terms hereof and to join with any assignee in making application to substitute such assignee as a Substitute Limited Partner.

Upon the adjudication of bankruptcy, dissolution or other cessation to exist as a legal entity of any Limited Partner which is not an individual, the authorized representative of such entity, possessed of the rights of such Limited Partner for the sole purposes of winding up in an orderly fashion and disposing of the business of such entity, shall have only such power as such entity possessed to make an assignment of its Partnership Interest in accordance with the terms hereof and to join with such assignee in making application to substitute such assignee as a Substitute Limited Partner.

6.10: Opinion Letter. In addition to the other requirements of Article VI, notwithstanding anything herein to the contrary, no Limited Partner may sell, transfer, assign, give, bequeath, pledge, encumber or hypothecate any Partnership Interest without first presenting to the Managing General Partner a written opinion of counsel (in form and substance reasonably acceptable to the Managing General Partner) if requested by the Managing General Partner to the effect that such sale, transfer, assignment or conveyance:

- (a) does not violate any applicable federal or state securities laws, and
- (b) will not result in a termination of the Partnership within the meaning of Code Section 708(b).

ARTICLE VII

ACCOUNTING, RECORDS AND REPORTS

7.1: Books, Records and Reports. The Managing General Partner shall maintain at the principal office of the Partnership or at such other place as the Managing General Partner determines the corporate and financial books and records of the Partnership. Such information shall be open to reasonable inspection and examination by any of the Partners, their designated agents, accountants, attorneys and other duly authorized representatives during regular business hours upon not less than forty-eight (48) hours prior written request.

7.2: Accounting Method. The books and records of the Partnership shall be kept in accordance with the terms of this Agreement and in a manner sufficient to meet the reporting requirements of the Internal

Revenue Service. The accounting year of the Partnership shall be the calendar year.

7.3: Financial Statements and Tax Returns. At the expense of the Partnership, the Managing General Partner may engage an accountant or other qualified professional to prepare the Partnership's annual income tax return.

7.4: Banks. All funds of the Partnership shall be deposited in a separate bank account or accounts in the name of the Partnership or such other name as may be determined from time to time by the Managing General Partner. Withdrawals from such account or accounts shall be made upon checks or other withdrawal orders executed by a duly authorized representative of the Managing General Partner.

ARTICLE VIII

DISTRIBUTIONS AND ALLOCATIONS TO PARTNERS

8.1: Distributions of Net Cash Flow and Net Proceeds. Net Cash Flow and Net Proceeds shall be distributed at such times and in such amounts as the Managing General Partner, in its sole discretion, shall determine, taking into account the reasonable business needs of the Partnership (including plan for expansion of the Partnership's business). The Managing General Partner's determination regarding whether or not to make distributions and the amount of distributions to be made shall be final and binding on all Partners. At the discretion of the General Partner, such distributions shall be made to each Partner in accordance with such Partner's Interest in the Partnership or may be determined by the General Partner on a yearly basis.

8.2: Distributions in Kind. Assets of the Partnership may be distributed in kind in the sole and absolute discretion of the Managing General Partner. If any assets of the Partnership are distributed in kind, the Partnership shall make such distributions in kind pursuant to Section 1.704-1(b)(2)(iv)(e)(1) of the Treasury Regulations in accordance with the following:

(a) Determine the value of such assets using appraisal techniques that are deemed to be appropriate, taking into account the nature of the assets;

(b) Immediately prior to any distribution of any property by the Partnership, allocate the Federal Income Tax Items attributable to the distribution in kind and adjust the Capital Accounts of all Partners to reflect the manner in which the unrealized income, gain, loss and deduction inherent in such assets (that have not been reflected in the Capital Accounts previously) would be allocated among the Partners if there were a taxable disposition of such assets for their fair market value on the date of distribution; and

(c) In a distribution in kind, other than in liquidation of the Partnership, pursuant to Section 9.4 hereof, such assets shall be distributed to the Partners entitled thereto either as (i) tenants-in-common in the same proportions in which such Partners would have been entitled to under Section 8.1, or (ii) on an asset-by-asset determination, as determined by the Managing General Partner in its sole and absolute discretion.

8.3: Liquidating Distributions. Notwithstanding Section 8.2, liquidating distributions shall be governed by Article IX.

8.4: Limitations on Cash in Return of Capital. No Partner shall be entitled to demand and receive property other than cash in return for his capital contribution to the Partnership, and no Partner shall have the right to sue for a partition of Partnership property.

8.5: No Priority in Distributions Among Limited Partners. Except as otherwise provided in this Agreement, no Limited Partner shall have any priority over any other Limited Partner as to any Partnership

distributions or to the return of his contributions to the Partnership capital.

8.6: Allocation of Federal Income Tax Items. Except to the extent provided in Subsections 8.6.3 through 8.6.6, the Federal Income Tax Items of the Partnership shall be allocated in the following order and priority:

8.6.1: Income and Gain from Capital Transactions:

(a) First, an amount of Income and Gain from Capital Transactions equal to the aggregate sum of all the Capital Account balances with a deficit balance shall be allocated among those Partners with a deficit Capital Account balance, in proportion that each such Partner's deficit Capital Account balance bears to the aggregate sum of all the Capital Account balances with a deficit balance; and

(b) Second, any Income and Gain from Capital Transactions in excess of the amount allocated in 8.6.1(a) shall be allocated among all Partners in accordance with each Partner's respective percentage Interest in the Partnership.

8.6.2: Losses and Loss from Capital Transactions:

(a) First, an amount of Losses and Loss from Capital Transactions equal to the aggregate sum of the Capital Account balances with a positive balance shall be allocated among those Partners with a positive Capital Account balance, in proportion that each such Partner's positive Capital Account balance bears to the aggregate sum of all the Capital Account balances with a positive balance; and

(b) Second, any Losses and Loss from Capital Transactions in excess of the amount allocated in 8.6.2(a) shall be allocated to the General Partners in accordance with each General Partner's respective percentage Interest in the Partnership.

8.6.3: Qualified Income Offset. If a Partner unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5), or (6), which creates a deficit balance in a Partner's Capital Account, such Partner shall be allocated items of Profits and Gains From Capital Transactions of the Partnership in an amount and manner sufficient to eliminate such deficit Capital Account balance as quickly as possible. No allocations of loss, deduction and/or Code Section 705(a)(2)(B) expenditures shall be made to any Partner if such allocation would cause or increase a deficit capital account of such Partner. The amount of the loss, deduction and/or Code Section 705(a)(2)(B) expenditure that would have caused or increased a deficit capital account of such Partner instead shall be allocated to Partners with positive capital accounts.

8.6.4: Minimum Gain. Notwithstanding any other portion of this Section 8, if there is a net decrease in the Partnership's minimum gain as defined in Treasury Regulations Section 1.704-2(d) during a taxable year of the Partnership, then each Partner shall be allocated items of income (including gross income) and gain for such year (and if necessary for subsequent years) equal to that Partner's share of the net decrease in Partnership minimum gain. Section 8.6.4 is intended to comply with the minimum gain charge back requirement of Section 1.704-2 of the Treasury Regulations and shall be interpreted consistently therewith.

8.6.5: Transfer of Interests. If a Partnership Interest is transferred during a fiscal year of the Partnership, the Partnership's taxable year shall not close with respect to that Partnership Interest. Instead, all Profits and Losses otherwise attributable to such Partnership Interest for the entire taxable year shall be apportioned between the assigning Partner and his assignee on the basis of the number of days the Partner or his assignee was the Holder of Record during the fiscal year. Gain From Capital Transactions and Loss From Capital Transactions shall be allocated to the Holder of Record on the date of such Capital Transaction.

8.6.6: Tax Allocation: Code Section 704(c). In accordance with Code Section 704(c) and the Treasury regulations thereunder, Federal Income Tax Items generated with respect to any property contributed to the capital of the Partnership shall, solely for tax purposes, be allocated among the Partners in a manner so as to take account of any variation between the adjusted basis of such property to the Partnership for federal income tax purposes and its fair market value at the time of contribution. If the Partners' Capital Accounts are adjusted because of any of the events described in Treasury Regulation Section 1.704-1(b)(2)(iv)(f), subsequent allocations of Federal Income Tax Items with respect to the assets giving rise to such adjustment shall take into account any variation between the adjusted basis of such assets and their fair market value at the time of the adjustment in the same manner as under Code Section 704(c) and the regulations thereunder.

8.7: Compliance with Treasury Regulations. The foregoing provisions and other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulations Section 1.704-1(b), and shall be interpreted and applied in a manner consistent with such Regulations. In the event the Managing General Partner determines that it is prudent to modify the manner in which the Capital Accounts, or any debits or credits thereto, are computed in order to comply with such Regulations, the Managing General Partner may make such modifications, provided that it is not likely to have a material effect on the amounts distributable to any Partner pursuant to Article IX hereof upon the dissolution and liquidation of the Partnership. The Managing General Partner shall have the authority in its sole and absolute discretion to make any appropriate modifications if events might otherwise cause this Agreement not to comply with Treasury Regulations Section 1.704-1(b).

ARTICLE IX

TERMINATION AND DISSOLUTION

9.1: Causes for Termination. The Partnership shall be dissolved and terminated on the date set forth in Section 1.6 of this Agreement. The Partnership shall be terminated and dissolved prior to such date upon the happening of any of the following events:

- (a) a determination by a Unanimous Vote of the Limited Partners and the unanimous consent of the General Partners that the Partnership should be dissolved;
- (b) the decision of the Managing General Partner to dissolve the Partnership after the disposition and sale of all or substantially all of the assets of the Partnership;
- (c) an entry of judicial dissolution under Section 153.554 of the Act;
- (d) death, insolvency, bankruptcy, removal or withdrawal of any of the General Partners unless within ninety (90) days of such event the Limited Partners elect by a Unanimous Vote a new General Partner to continue the business of the Partnership. The new General Partner shall obtain his general partnership Interest in accordance with the terms set forth in Section 3.7 herein. Upon the election of a new General Partner, the

Partnership Interests of the General Partners shall become limited partnership Interests and the General Partners shall automatically become Substitute Limited Partners without any further requirement of any approval of the Limited Partners or of the new General Partner; or

(e) the involuntary transfer of a general partnership Interest in the Partnership (such as to a trustee in bankruptcy or a purchaser in a creditor's sale) in the event there is only one General Partner of the Partnership, unless within ninety (90) days of such event the Limited Partners elect by a Unanimous Vote to continue the Partnership.

The Partnership shall not be terminated upon the happening of the insolvency or bankruptcy of the Partnership.

9.2: Liquidation. Upon dissolution and termination of the Partnership for any reason, the Partnership shall engage in no further business other than such business as may be necessary to wind up its affairs and to distribute its assets. Liquidation shall be handled by the Managing General Partner, as Liquidator, except dissolution that is caused by bankruptcy, withdrawal or removal of the Managing General Partner as provided in Sections 3.5, 5.5 and 9.1(d) and (e) herein, two Liquidators shall be elected by a Simple Majority Vote of the Limited Partners. Liquidators may be Partners or qualified third parties. No person who is a creditor of the Partnership, a creditor of any Partner or a Trustee in a Bankruptcy Proceeding involving any Partner or the Partnership shall ever serve as a Liquidator.

9.3: Disposition of Assets. On the liquidation and dissolution of the Partnership, the Liquidator shall, by the later of the end of the taxable year in which the liquidation occurs or six (6) months after the date of liquidation:

(a) **Determination of Partnership Assets.** Determine the interest of the Partnership in each Partnership property.

(b) **Valuation of Partnership Assets.** Determine the value of the Partnership's properties and adjust the Capital Accounts of the Partners in the manner described in Section 8.2 hereof.

(c) **Final Statement of Account.** As promptly as possible after dissolution, cause a final statement of account to be prepared, which shall show with respect to each Partner the status of such Partner's Capital Account. Such statement of each Partner's Capital Account shall reflect the allocations set forth in Article VIII and the allocation of the gain and losses to the Capital Accounts as provided in subsection (b) above.

(d) **Payment of Third Party Debts.** Pay all Partnership debts owing to creditors other than Partners, or otherwise make adequate provision therefor.

(e) **Repayment of Loans From Partners.** Obtain repayment of loans, if any, from the Partners to the Partnership, or otherwise make adequate provision therefore.

(f) **Repayment of Capital Accounts.** To the extent of Partnership Property (or cash realized from a sale thereof) available therefore, distribute to each Partner an amount equal to any remaining positive balance of his Capital Account in accordance with Section 8.2(c). If Partnership Property (or cash received from a sale thereof) is insufficient to repay in full the positive Capital Account balances of all Partners, the total amount available for such purpose shall be distributed among the Partners in the proportion that the positive Capital Account balance of each Partner bears to the total positive Capital Account balances of all Partners.

(g) **Indebtedness Owed by Partners.** Notwithstanding the foregoing, if any

Partner is indebted to the Partnership, the Liquidator shall, until such debtor-Partner has repaid the Partnership, retain such Partner's distributive share of Partnership properties and apply the same to the full discharge and repayment of such indebtedness, and the balance of such distributive share, if any, shall be delivered to such Partner. On dissolution or liquidation of the Partnership, no Partner shall be obligated to restore any negative balance in its Capital Account. No Partner shall be personally liable to return the capital contributions of any other Partner. Capital contributions shall be repaid solely from Partnership assets, if any, which may be available for such purpose pursuant to the terms of this Agreement.

(h) Compliance Provisions. The Liquidator shall comply with any requirements of the Act or other applicable law, pertaining to the winding up of a limited partnership, at which time the Partnership shall stand terminated.

9.4: Distributions in Kind. In the event a distribution of Partnership Property in kind is made during the liquidation process, such property shall be either: (i) transferred and conveyed to the Partners or their assigns in undivided interests so as to vest in each of them a percentage interest in the whole of said property equal to the percentage interest each would have received had the aforesaid property not been distributed in kind; or (ii) transferred and conveyed to the Partners on an asset-by-asset determination, as determined by the Liquidator in his sole and absolute discretion.

9.5: No Recourse. On liquidation and dissolution of the Partnership, the Limited Partners shall look solely to the assets of the Partnership for the return of their investment, and if the Partnership assets remaining after payment and discharge of debts and liabilities of the Partnership, including any debts and liabilities owed to any one or more of the Partners, is insufficient to satisfy the rights of the Limited Partners, the Limited Partners shall have no recourse or further right or claim against the Partnership or the General Partners.

9.6: Reserves. In winding up the affairs of the Partnership and distributing its assets, the Liquidator shall set up a reserve to meet any contingent or unforeseen liabilities or obligations and deposit funds for such purpose, together with funds held by the Partnership for distribution to Partners which remain unclaimed after a reasonable period of time, with an escrow agent for the purpose of disbursing such reserves and funds. At the expiration of such period the Liquidator deems advisable, the escrow agent shall be authorized and directed to distribute the balance remaining in the manner provided in Section 9.3 above.

9.7: Statement of Termination. The Liquidator shall furnish each of the Partners, at the Partnership's expense, with a statement, which shall set forth the assets and liabilities of the Partnership as of the date of complete liquidation and distribution as herein provided. Such statement shall also schedule the receipts and disbursements made with respect to the termination hereunder and shall be final and binding upon all persons, except such persons who may file a specific and detailed written protest thereof within ninety, (90) days of his receipt of the statement.

9.8: Deficit Capital Accounts. No Partner with a deficit balance in his Capital Account shall have any obligation to restore such deficit balance, or to make any contribution to restore such deficit balance, or to make any contribution to the capital of the Partnership, solely by reason thereof, and any such deficit balance shall not be considered an asset of the Partnership or of any Partner.

ARTICLE X

INDEMNIFICATION

10.1: Indemnification. The Partnership shall indemnify any Partner (or employee of a Partner) against reasonable expenses incurred in connection with the defense of any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitrative, or investigative, any appeal in such an action, suit, or proceeding, and any inquiry or investigation that could lead to such an

action, suit or proceeding, where the Person who was, is, or is threatened to be made a named defendant or respondent in a proceeding was named because the Person is or was a Partner of the Partnership (or employee of the same).

10.2: Conditions. The indemnification contained in Section 10.1 is conditioned upon a Simple Majority Vote that such Person:

- (a) conducted himself in good faith;
- (b) reasonably believed, in the case of conduct in his official capacity as a General Partner of the Partnership, that his conduct was in the Partnership's best interest, and in all other cases, that his conduct was at least not opposed to the Partnership's best interest; and
- (c) in the case of any criminal proceeding, had no reasonable cause to believe his conduct was unlawful.

10.3: Successful Defense. Notwithstanding Section 10.2, the Partnership shall indemnify each Partner (or employee of a Partner) against reasonable expenses incurred in connection with a proceeding in which he is a party because he is or was a Partner (or employee of a Partner) if he has been wholly successful, on the merits or otherwise, in the defense of the proceeding.

10.4: Exclusions. A Partner (or employee of Partner) may not be indemnified under this Article X for obligations resulting from a proceeding:

- (a) in which the Person is found liable on the basis that personal benefit was improperly received by him, whether or not the benefit resulted from an action taken in the person's official capacity; or
- (b) in which the Person is found liable to the Partnership.

10.5: Expenses. "Expenses" as used herein means court costs, attorneys' fees, judgments, penalties (including excise and similar taxes), fines, settlements and other reasonable expenditures actually incurred by the Person in connection with the proceeding; provided however, if the proceeding is brought by or in behalf of the Partnership, the indemnification is limited to reasonable expenses actually incurred by the Person in connection with the proceeding. A determination of reasonableness of expenses shall be made in the same manner as the determination contained in Section 10.6.

10.6: Advance Reimbursement. Reasonable expenses incurred by a Partner who was, or is threatened, to be named a defendant or respondent in a proceeding may be paid or reimbursed by the Partnership in advance of the final disposition of the proceeding after:

- (a) the Partnership receives a written affirmation by the Partner of his good faith belief that he has met the standard of conduct necessary for indemnification under this Article X and a written undertaking by or on behalf of the Partner to repay the amount paid or reimbursed if it is ultimately determined that he has not met those requirements, and
- (b) a determination is made under Section 10.2 that the facts then known to those making the determination would not preclude indemnification under this Article X.

10.7: Appearance as Witness or Otherwise. The Partnership shall pay or reimburse expenses incurred by a Partner (or any employee of a Partner) in connection with his appearance as a witness or other participant in any threatened, pending or completed action, suit or proceeding, whether civil, criminal,

administrative, arbitral, or investigative, any appeal in such action, suit or proceeding, and any inquiry or investigation that could lead to such an action, suit or proceeding, involving or affecting the Partnership at a time when such General Partner is not a named defendant or respondent in the proceeding.

ARTICLE XI

MISCELLANEOUS PROVISIONS

11.1: Notice. Any notice, payment, demand or communication required or permitted to be given by any provision of this Agreement shall be in writing and shall be deemed to have been duly given and received for all purposes on the date delivered personally to the party or to an officer of the party to whom the same is directed, or when deposited by registered or certified mail, postage and charges prepaid and addressed as follows:

11.1.1: Partnership or General Partners. If to the Partnership or to the General Partners, then to the address of the principal place of business of the Partnership set forth herein or as may be changed from time to time, and

11.1.2: Limited Partners. If to a Limited Partner, then to the address of such Limited Partner as set forth on Exhibit "A" attached hereto.

Any party hereto may change his or its address to which notice shall thereafter be given by furnishing written notice to all the Limited Partners and the Partnership in the manner set forth in this Section 11.1.

11.2: Integration. This Agreement constitutes the entire understanding of the parties hereto with respect to the subject matter hereof. No amendment, modification, or alteration of the terms of this Agreement shall be binding unless the same is in writing, dated subsequent to the date hereof and duly adopted by the Partners, as provided herein.

11.3: Severability. Each provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity or enforceability of the remainder of this Agreement.

11.4: Applicable Law. This Agreement and the application or interpretation hereof shall exclusively be governed by and construed in accordance with the laws of the State of Texas. This Agreement shall be deemed to be performable in and venue shall be mandatory in Harris County, Texas.

11.5: Execution in Counterparts. This Agreement, the Certificate to be filed as provided herein, and any amendment hereto may be executed in any number of counterparts, either by the parties hereto or their duly authorized attorney-in-fact, with the same effect as if all parties had signed the same document. All counterparts shall be construed as and shall constitute one and the same Agreement.

11.6: Descriptive Headings. The captions included herein are for administrative convenience only and shall not be considered in interpreting any of the terms or provisions of this Agreement.

11.7: Acceptance by Limited Partners. Exhibit "C" to this Agreement contains Affidavit like documents of each Limited Partner's acknowledgment of understanding and acceptance of the Agreement of Limited Partnership and the restrictive nature of any attempt of ownership transfer.

11.8: Power of Attorney. Each Limited Partner, in accepting these Articles, makes, constitutes and appoints the General Partner, with full power of substitution, as his, her, or its attorney-in-fact and personal representative to sign, execute, certify, acknowledge, file and record the Certificate of Formation, and to sign, execute, certify, acknowledge, file and record all appropriate instruments amending this

Agreement and the Certificate of Formation on behalf of the Limited Partners. In particular, the General Partner as attorney-in-fact may sign, acknowledge, certify, file and record on behalf of each Limited Partner such instruments, agreements, and documents which: (i) reflect the exercise by the General Partner of any of the powers granted to him under this Agreement; (ii) reflect any amendments made to this Agreement; (iii) reflect the admission or withdrawal of a General or Limited Partner; and (iv) may otherwise be required of the Partnership or a Partner by Texas law, federal law, or the law of any other applicable jurisdiction. The power of attorney herein given by each Limited Partner is a durable power and will survive the disability or incapacity of the principal.

11.9: Binding Agreement. Except as otherwise provided herein to the contrary, this Agreement shall be binding upon and inure to the benefit of the parties hereto, their personal representatives, successors, assigns, and legal representatives.

11.10: Character of Partnership Interests. Interests in separate property, community property or quasi-community property which are contributed to the Partnership by a Partner shall cause the respective Partnership Interest to the extent thereof received by the contributing Partner to be and remain the Partner's separate property, community property or quasi-community property, respectively. Accordingly, it is agreed and acknowledged that a Partner may have Interests in the Partnership, which are all or any combination of the foregoing classes of property interests. Any appreciation, accretion, growth, income, and the like, of a Partnership Interest or any part thereof which is a Partner's separate property, community property or quasi-community property shall remain the Partner's separate property, community property or quasi-community property, respectively.

11.11: Amendments to Partnership Agreement. This Agreement may be amended only by the unanimous approval of the Partners.

11.11.1: Amendments by General Partners. Notwithstanding the foregoing, this Agreement may be amended by the General Partners without the approval of the Limited Partners whenever:

- (a) there is a need to provide any provision as may be required by applicable law to be included in this Agreement;
- (b) there is a need to correct a false or erroneous statement in this Agreement or to clarify a provision of this Agreement without changing the substance thereof;
- (c) it is necessary or appropriate, in the opinion of counsel selected by the Managing General Partner, to satisfy the requirements of the Code, Treasury Regulations thereunder, or administrative guidelines or interpretations relating thereto, to maintain the status of the Partnership, or to comply with the federal tax provisions so as to give effect to any benefits intended thereunder as determined by the Managing General Partner; and
- (d) any other term of this Agreement provides for amendments without the approval of the Limited Partners.

11.11.2: Proposal of Amendments. Amendments to this Agreement may be proposed by any Partner by submitting a written copy of the proposed amendment to the Managing General Partner, together with a written request that the proposed amendment be submitted to the Partners for a Vote for its adoption.

11.11.3: Voting on Amendments. Except as otherwise provided in this Agreement, all proposed amendments shall be submitted to the Partners in the following

manner:

(a) Within thirty (30) days of its proper proposal, notice of the proposed amendment and the text thereof, along with a ballot, shall be sent by the Managing General Partner to each Partner by certified mail, return receipt requested, at the last known address of each Partner; and

(b) The ballot supplied with the notice of the proposed amendment shall state that the written vote of each Partner is due, at the offices of the Partnership, within ten (10) days of the date of the notice of proposed amendment (which shall be the date of the postmark of such notice). Ballots not received by said date shall be deemed voted in favor of the proposal.

Remainder of this page intentionally left blank

IN WITNESS WHEREOF, this Agreement has been executed by the General Partners as effective the ____ day of December, 2012, and by each Limited Partner on the date indicated opposite his signature hereto or the date of each such Limited Partner's execution of an Execution Page hereto, each of which is hereby incorporated herein and made a part hereof.

GENERAL PARTNER:

Fuze Management, Inc.

By: _____
Wade A. Threadgill, Jr., President

Date: _____

LIMITED PARTNERS:

Wade A. Threadgill, Jr.

Date: _____

Sharlyn Threadgill

Date: _____

Forrest Threadgill

Date: _____

Forrest Threadgill
as Temporary Custodian for Morgan Threadgill

Date: _____

Michael Threadgill

Date: _____

Virginia "Ginger" Clark

Date: _____

EXHIBIT "A"

Name, Address & Partnership Interests

GENERAL PARTNER:

Fuze Management, Inc. 160 Greentree Drive, Suite 101 Dover, Delaware 19904	2%
--	----

LIMITED PARTNERS:

Wade A. Threadgill, Jr. 14300 Flat Top Ranch Road Austin, Texas 78732	43%
---	-----

Sharlyn Threadgill 14300 Flat Top Ranch Road Austin, Texas 78732	43%
--	-----

Forrest Threadgill 14300 Flat Top Ranch Road Austin, Texas 78732	5%
--	----

Morgan Threadgill 14300 Flat Top Ranch Road Austin, Texas 78732	5%
---	----

Michael Threadgill 106C Constitution Warner Robbins, Georgia 31088	1%
--	----

Virginia "Ginger" Clark 501 S Greenland Ln Yorktown, Indiana 47396	1%
--	----

Dated and effective: _____, 2012.

EXHIBIT "B"

Schedule of Property Contributed to the Partnership

To Be Determined

Dated and effective: _____, 2012.