

STATE OF ALABAMA)
JEFFERSON COUNTY)

GENERAL PARTNERSHIP AGREEMENT OF
R, D & A PARTNERSHIP

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artnership 2004 2 pages

W I T N E S S E T H:

WHEREAS, the Partners desire an association to carry on as co-owners a business for profit as is authorized by the Alabama Partnership Act which became effective January 1, 1972; and

WHEREAS, the Partners desire to acquire real estate and improvements to real estate in the State of Alabama, and desire to use the real estate and improvements to real estate as the Partners from time to time may so determine;

NOW, THEREFORE, in consideration of the above premises and the mutual covenants and undertakings of the parties, the parties do hereby agree and bind themselves as follows:

ARTICLE I

Formation of General Partnership

The Partners do hereby form a general partnership and constitute themselves as General Partners of the partnership for the purpose of purchasing, owning, developing, leasing, and selling real estate in the name of the partnership as the Partners feel is in the best interest of the partnership.

ARTICLE 11

Partner:

The names and address of the Partners are as follows:

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<u>NAME</u>	<u>ADDRESS</u>
Harry B. Register, Jr.	3000 Warrington Road Birmingham, Alabama 35223
John D. Davis	1465 Willoughby Circle Birmingham, Alabama 35216
W. Earl Richards	1244 Gray Lynn Drive Birmingham, Alabama 35216

ARTICLE III

Name

The name of this general partnership shall be R, D & R.

ARTICLE IV

Place of Business

The principal office of the partnership will be located at 1244 Gray Lynn Drive, Birmingham, Alabama 35216. The Partners may from time to time change the office address of the partnership.

ARTICLE V

Duration of Partnership

The partnership shall commence on the date first above written and shall continue until one of the Partners desires to terminate and dissolve the partnership or until all the real estate owned by the partnership is conveyed and proceeds distributed to the Partners. In the event the Partners terminate and dissolve the partnership, the Partners shall proceed promptly thereafter to liquidate the partnership business, and the assets of the partnership shall be used and distributed as provided hereinafter.

ARTICLE VI

Capital

The Partners agree that their interest in the partnership shall be as follows:

<u>NAME</u>	<u>PERCENTAGE</u>
Harry B. Register, Jr.	25%
John D. Davis	25%
W. Earl Richards	50%

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The capital of the partnership shall consist of such assets as shall be purchased by the partnership from funds contributed or borrowed by the partnership. The initial capital account of the respective partners shall be equivalent to the percentages in such capital of the partnership as set forth in this paragraph hereinabove. In the event it is necessary for the Partners to contribute capital to the partnership for the partnership business, the Partners shall contribute the necessary capital in accordance with the percentage set out in this paragraph hereinabove. If the capital is borrowed and/or if real estate mortgages and notes are given, each of the Partners, if required by the lending agency, will sign jointly, but the parties acknowledge that as between themselves, their liabilities shall be in accordance with the percentage as set out in the paragraph hereinabove.

Each Partner agrees to endorse or otherwise guarantee, jointly and severally, if required, and to obtain the endorsement or guaranty, if required by his or her spouse, to any lending agencies and their representatives' indebtednesses of the partnership incurred in connection with the business of the partnership. It is understood, however, as above stated, that in the event the Partners sign such obligations so as to be jointly and severally liable, as between themselves, their liability shall be in accordance with the percentages set out hereinabove.

In the event any Partner shall fail to make the advances deemed necessary to be made on behalf of the partnership or in the event such Partner shall fail to execute endorsements of guaranties heretofore mentioned, then the other Partner, at his election may:

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(a) Deduct from the amount of capital of the partnership owned by the defaulting Partner, or any drawing account or any other monies due to defaulting Partner, all or any portion of the amount of such required advance; and/or

(b) Treat the amount of such required advance from the defaulting Partner as a sum of money owed the partnership by the defaulting party, due immediately, together with interest at the maximum legal rate permissible, and, may file suit to collect same, in which case no offsets owed that defaulting Partner shall be permitted to reduce the amount of money otherwise owing to the partnership by the defaulting Partner; and/or

(c) If the other Partner determines that such interest has no readily ascertainable fair market value, sell and assign all of such interest to the partnership, and relieve the defaulting Partner of any subsequent obligation under the provisions of this agreement, and thereafter such defaulting Partner shall have no interest in the partnership.

ARTICLE VII

Profits and Losses

The net profit of the partnership shall be divided among the Partners and the net losses of the partnership shall be borne by the Partners in their respective percentages set out in Article VI. A separate income account shall be maintained for each Partner. Partnership profits and losses shall be charged or credited to the separate income account of each Partner. If a Partner has no credit balance in his income account, losses shall be charged to his capital account.

From time to time, the partnership may distribute to the Partners such sums as the Partners consider advisable. Any such distribution shall be made in proportion to the respective Partner's interests in the profits and losses of the partnership as at the time of distribution, except that if a Partner is indebted to the partnership, the amount of such indebtedness may be withheld from the amount which would otherwise be distributed.

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ARTICLE VIII

Management and Control

Whenever any determination is required to be made hereunder concerning the conduct of the general partnership business, including the sale or transfer of all or part of the property owned by the general partnership, the management of the properties of the general partnership, or any type business to be carried on by the general partnership, such determination shall be made by all of the Partners hereto.

ARTICLE IX

Accounting Provisions

1. Fiscal Year: The fiscal year of the partnership shall be the calendar year, or such other year as the Partners may from time to time determine.

2. Books and records: At all times during the continuation of this partnership, the Partners shall cause to be maintained full and accurate books of accounts, in which shall be entered the transactions of the partnership. Such books shall be maintained in the principal office of the partnership, or at such other office as shall be designated for such purpose by the Partners, and all Partners shall have the right to inspect and examine such books at reasonable times. The books shall be closed and balanced at the end of each partnership accounting year.

3. Annual Operating Statements: Each Partner shall receive an annual statement of gross receipts, operating expenses and net profits as prepared by the partnership's accountants, and these statements shall be delivered to each Partner within a reasonable time after the close of the partnership accounting year.

ARTICLE X

Admission of Substitute Partners

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No Partner shall be permitted to substitute as a party hereto or assign his interest to another except with the consent of the other Partners hereto. Any Partner may, however, by separate agreement, make such agreement as to sharing in the profits and losses of his interest and distribution thereof on the termination of this agreement, if he deems proper, provided that such agreement shall not affect or vary this agreement in any manner or affect the rights of the other Partners to this agreement, nor vary the liabilities of such Partner to the other Partners hereto under the terms hereof, such agreement constituting for all purposes, a separate sub-partnership.

ARTICLE XI

Ownership, Conveyances and Contracts
Concerning Partnership Property

As a matter of convenience to the partnership, it is hereby mutually agreed and understood that all property or assets purchased by the partnership shall be purchased in the name of the partnership. The property shall be conveyed by the partnership by deed or bill of sale executed by all of the Partners hereto.

ARTICLE XII

Additional Partners

The partnership shall not be expanded to include additional Partners unless all of the existing Partners consent to the same. The Partners may, however, if they are in agreement, take in new or additional Partners upon such terms and conditions as they may find advisable and the percentages of ownership granted to such new or additional Partners shall be taken from the existing Partners hereto in such amounts and in such fashion as may be agreed upon by the parties.

ARTICLE XIII

Death of a Partner

Upon the death of any Partner, the surviving Partner may purchase the interest of the deceased Partner from the administrator or executor of the deceased Partner's estate or in the alternative, surviving Partners may determine to terminate, dissolve and liquidate the partnership business.

If the any of the surviving Partners elect to purchase the deceased Partner's interest in the partnership, the surviving Partner shall give notice in writing of such election to the decedent's executor or administrator, within two (2) months after decedent's death, or within the period of one (1) month after the qualification of his executor or administrator, whichever period expires later. In such event, the value of the decedent's partnership interest shall be determined as follows: As soon as practical, the administrator or executor of the deceased Partner's estate shall appoint an appraiser, and the surviving Partners shall appoint an appraiser. The two appraisers shall then, between them, appoint one appraiser. The three appraisers shall then review the books, records and properties of the partnership and determine the reasonable value of the deceased Partner's interest in the partnership. The surviving Partner shall then purchase the interest of the deceased Partner, and the payment for said interest shall be made in reasonable terms which shall be determined by the said appraisers, provided however, at least twenty percent (20%) of the deceased Partner's interest will be paid for in cash, and the balance due will be evidenced by a promissory note executed by the surviving Partner in the principal amount of the balance of such purchase price, payable with interest at the rate of eight percent (8%) per annum to the order of the decedent's personal representative on the terms agreed upon by the surviving Partner and the representative of the deceased Partner's estate. If the parties cannot agree upon the terms of

the promissory note, then the appraisers appointed as set out herein will determine fair and equitable terms.

ARTICLE XIV

Incompetency of Partner

In the event either of the Partners shall be adjudicated to be incompetent in any appropriate judicial proceeding, then the terms of this agreement set out in Article XIII shall apply and govern the future of the partnership, provided, however, the word "guardian" shall be substituted for the words "executor, administrator, personal representative or representative" as used in Article XIII.

ARTICLE XV

Retirement of Partner

Any Partner shall have the right to retire and withdraw from the partnership at any time. If any Partner shall thus elect to retire from the partnership, he shall notify the remaining Partners of his election. The remaining Partners shall have the right to either purchase the entire interest of the retiring Partner in the partnership or to terminate, dissolve and liquidate the partnership business.

If one of the remaining Partners elects to purchase such retiring Partner's interest in the partnership, he shall give written notice of his election to the retiring Partner within two (2) months of his receiving his notice of retirement. In such event, the amount of the purchase price shall be determined as follows: The purchase price shall be the fair market value of the retiring Partner's interest at the date the remaining Partner elects to purchase the retiring Partner's interest. The fair market value of the retiring Partner's interest shall be determined by an independent appraiser selected by the retiring and purchasing Partners, and if they are unable to agree, the name of a registered M.A.I. appraiser shall be put in a container by each party and one (1) name drawn out who shall then appraise the pro-

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perty and his determination shall be binding and conclusive on the parties hereto. If the one of remaining Partners so exercise his election to purchase the interest of the said retiring Partner, it is agreed that the purchase and sale shall be closed within ninety (90) days after the said option is exercised, and the purchase price is to be paid on reasonable terms determined by the retiring and purchasing Partners. In the event the Partners cannot agree upon terms, then the appraiser who determined the fair market value of the retiring Partner's interest shall determine the terms and his determination shall be binding on the retiring and purchasing Partners.

ARTICLE XVI

Controversy

Any controversy or claim arising out of or relating to this agreement, or to the interpretation, breach, or enforcement thereof, shall be submitted to three (3) arbitrators and settled by arbitration in the City of Birmingham, Alabama, in accordance with the rules, then obtaining, of the American Arbitration Association; provided, however, and notwithstanding any other provisions of such rules, if the matter submitted to arbitration shall involve a dispute as to the appraised value of real estate of a deceased, defaulting, incompetent or retiring Partner's partnership interest, such arbitration shall be held before three (3) arbitrators, one of whom shall be a Certified Public Accountant and the other two of whom shall be licensed real estate appraisers. Any award made by a majority of such arbitrators shall be final, binding and conclusive on all parties hereto for all purposes and judgment may be entered thereon in any court having jurisdiction thereof.

ARTICLE XVII

Termination of Partnership

At the termination of this partnership by the expiration of its terms, and whenever liquidation of the partnership business

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is otherwise provided for hereunder, the Partners (or the surviving Partner) shall proceed with reasonable promptness to liquidate the business of the partnership. The profits and losses of the business during the period of the liquidation shall be divided among or be borne by the Partners (or the then remaining or surviving Partners, as the case may be), including the estate of a deceased Partner, in the respective percentages in which they share such profits and losses prior to the event which results in such liquidation. After the payment of the partnership debts, expenses of liquidation and any loans by Partners to the partnership, the proceeds of the liquidation, as realized, shall be distributed first, in discharge of the undrawn profits of the Partners and of the estate of any deceased Partner, and then proportionately in discharge of the respective capital accounts. Any excess shall be distributed among the surviving Partner(s) and the estate of any deceased Partner in the respective percentages in which they share partnership profits immediately prior to the event which results in such liquidation. In connection with such liquidation, the surviving Partners shall have the sole discretion as to whether sell any partnership asset, including but not limited to real estate, and if so, whether at public or private sale and for what amount and on what terms, or whether (if sale thereof is not required to enable payment of debts, expenses of liquidation, loans by Partners, and undrawn profits of the Partners) to distribute and transfer the same to and among the remaining Partners and the estate of any deceased Partner, in kind, by transferring interest therein in the respective percentages in which profits and losses are shared immediately prior to the event which results in such liquidation. In the event that the surviving Partners determine to sell any real property, they shall not be required to sell the same promptly, but they shall have full right and discretion to determine the time when, and manner in which, such sale or sales shall be had, having due regard to the activity and condition of the real estate market and general financial economic conditions.

ARTICLE XVIII

Miscellaneous Provisions

1. The Partners may employ such persons as they deem advisable to perform services for the partnership and compensate them in such amounts and in such manner as they may determine.

2. The Partners are authorized, in the name of the partnership, to open and maintain a bank account or accounts in any bank from time to time so designated by the Partners in which shall be deposited all of the cash contributions of the partnership and all other partnership income. Any funds in the partnership bank account or accounts may be withdrawn upon the signature of any of the Partners.

3. Whenever provisions are made in this agreement for the giving, service, or delivery of any notice, such notice shall be deemed to have been duly given, served and delivered, if mailed by the United States registered or certified mail, addressed to the party entitled to receive the same at his address; provided however, that each party hereto by United States mail, registered or certified, may give written notice of election to change such address. Except where otherwise specified in this agreement, any notice, statement, or other instrument shall be deemed to have been given, served and delivered on the date on which such notice was mailed as herein provided.

4. This agreement constitutes the entire agreement among the parties, the supersedes any prior understanding (whether written or oral), respecting the subject matter of this partnership. There are no representations, agreements, arrangements, understandings, (oral or written), between or among the parties hereto relating to the subject matter of this partnership, which are not fully expressed herein.

5. In the event any portion of this agreement should be held to be invalid or unenforceable at law, the same shall not affect in any respect whatsoever the validity of the remainder of this agreement.

6. The covenants and agreements herein contained shall inure to the benefit of and be binding upon the parties hereto, their successors, assigns, heirs, administrators, guardians or other personal representatives.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the day and year first above written.

WITNESSES:

Cathy Wilson
Sandy Sebert

Cathy Wilson
Sandy Sebert

Cathy Wilson
Sandy Sebert

Harry B. Register, Jr. (SEAL)
(25% Interest)

John D. Davis (SEAL)
(25% Interest)

W. Earl Richards (SEAL)
(25% Interest)

RECORDED 15 APR 8 25

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