

I.D. 87735

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SECRETARY OF STATE OF KENTUCKY  
FRANKFORT, KENTUCKY

CERTIFICATE OF LIMITED PARTNERSHIP  
OF HAMPTON ASSOCIATES

SEP 18 1978

WE, THE UNDERSIGNED, being desirous of  
a Limited Partnership pursuant to the laws of the State  
of Kentucky, and being duly sworn, do hereby swear and  
certify as follows:

*Dwight Davis*  
SECRETARY OF STATE  
*Dw*

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- I. The name of the limited partnership is  
HAMPTON ASSOCIATES (the "Partnership").
- II. The character of the business to be trans-  
acted by the Partnership is the acquisition and exploita-  
tion of coal and other mineral rights, including the sub-  
leasing and mining of the Property (as defined in Section  
1.14 of the Limited Partnership Agreement (the "Agreement")  
of the Partnership).

In furtherance of the business and purposes of  
the Partnership, the Partnership has the power to do any  
and all other things whatsoever necessary or desirable in  
connection with the foregoing or otherwise contemplated  
by the Agreement.

III. The principal office and place of business of  
the Partnership shall be at P. O. Box 248, Gray, Kentucky  
40734.

IV. The name and place of business of the sole gen-  
eral partner (the "General Partner") is as follows:

<u>Name</u>	<u>Place of Business</u>
Theodore R. Lerner	1 Hanson Place Brooklyn, New York 11243

The name and place of business of the sole limited partner (the "Limited Partner") is as follows:

<u>Name</u>	<u>Place of Business</u>
Leonard Gubar	Spengler Carlson Gubar Churchill & Brodsky 280 Park Avenue New York, New York 10017

V. The term of the Partnership shall commence with the due filing hereof. The Partnership shall dissolve on December 31, 2025, unless it is sooner terminated or dissolved upon the occurrence of any of the following events:

(a) The sale or discontinuance of substantially all of the Partnership business; or

(b) The death, incompetency, bankruptcy or insolvency of the General Partner, unless the Limited Partner shall elect to continue the Partnership in accordance with Section 11.2 of the Agreement.

VI. The Limited Partner, Leonard Gubar, is contributing \$100 in cash ("Contribution") to the capital of the Partnership in cash.

VII. The Limited Partner is not required to contribute any capital or lend any funds to the Partnership except as provided in Section VI hereof. If a Partner advances any funds to the Partnership in excess of his or its Contribution, such advances shall be treated as loans to the Partnership ("Partners Loans"), bearing interest at the rate of eight percent (8%) per annum.

VIII. Unless the General Partner in his sole discretion shall determine that Cash Flow (as defined below) shall

be retained, in whole or in part, in order to meet the obligations and reasonable needs of the business of the Partnership, any Cash Flow shall be distributed no less frequently than on a semi-annual basis to the Partners in accordance with their respective Percentage Interests (as defined in Section 1.13 of the Agreement) on the date of distribution.

Cash Flow shall mean all cash receipts of the Partnership derived from its business operations reduced by the sum of (a) all expenses and amortization of debt of the Partnership; (b) other expenditures deemed appropriate by the General Partner; and (c) such reserves as the General Partner deems necessary to the proper operation of and/or protection of the Partnership's business.

The Limited Partner, Leonard Gubar, shall have a 98% percentage interest in the Partnership.

Cash from sources other than Cash Flow (whether as a result of a financing arrangement, sale, exchange, eminent domain taking, destruction, or other disposition of all or part of the Property or otherwise) available, prior to the dissolution of the Partnership, for distribution to the Partners shall be distributed in the following priorities:

FIRST, to discharge (to the extent required by any creditor) the debts and obligations of the Partnership;

SECOND, to fund reserves for contingent or unforeseen liabilities to the extent deemed reasonable by the General Partner; and

THIRD, the balance thereof to the Partners in accordance with their respective Percentage Interests on the date of distribution.

Subject to the Uniform Limited Partnership Act as adopted by Kentucky, upon dissolution of the Partnership, after payment of, or adequate provision for, the debts and obligations of the Partnership, the remaining assets (or the proceeds of sales or other dispositions in liquidation of the Partnership assets, as may be determined by the General Partner) shall be distributed to the Partners, in accordance with their respective Percentage Interests on the date of distribution.

IX. Items of income, gain, loss, deduction or credit of the Partnership in any particular fiscal year shall be allocated to the Partners in accordance with their respective Percentage Interests on the last day of any fiscal year, except to the extent otherwise provided in Article V of the Agreement, with respect to transfers of Limited Partners' interests.

X. The terms and conditions under which a Limited Partner may substitute an assignee as a limited partner in his place are as follows:

A Limited Partner shall have the right, subject to the provisions of Article VIII of the Agreement and

compliance with applicable laws, to sell, assign or transfer any or all of his interest in the Partnership to any individual (other than a minor or incompetent), firm or corporation only in the event that:

(a) the General Partner shall have given his prior written consent to such assignment; and

(b) such assignment shall not result in the termination of the Partnership under Section 708 of the Internal Revenue Code of 1954, as amended, in the opinion of counsel to the Partnership; and

(c) if the General Partner so requires, the Limited Partner furnish the General Partner with an opinion of counsel, satisfactory to counsel to the Partnership, that such transfer complies with all applicable Federal and state securities laws.

Notwithstanding the foregoing, the Limited Partner may transfer or assign all or a portion of his Partnership interest without obtaining the consent of the General Partner, subject, nevertheless, to the other restrictions and conditions imposed by Article VIII of the Agreement, if such transfer or assignment is by will or the laws of intestacy and distribution.

XI. Other than as provided in Article X hereof, no additional limited partners may be admitted to the Partnership.

XII. The Limited Partner shall have no rights of priority over any other limited partner.

XIII. In the event of the death, incompetency, bankruptcy or insolvency of the General Partner, the Partnership shall be dissolved and liquidated on the sixtieth day following any of such events unless within those sixty (60) days, all of the remaining Partners select a successor General Partner who shall pay in cash, in full, for the interest of the dead, incompetent, bankrupt or insolvent General Partner.

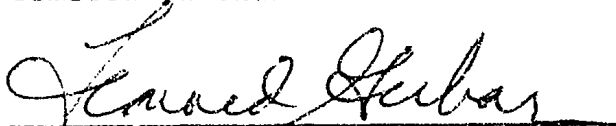
XIV. The General Partner shall have the power to make distributions in kind.

General Partner:



Theodore R. Lerner

Limited Partner:



Leonard Gubar

LIMITED PARTNER'S ACKNOWLEDGMENT

STATE OF NEW YORK )  
COUNTY OF *Kings* ; SS.:

On the *14<sup>th</sup>* day of September, 1978, before me personally came Leonard Gubar, to me known to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.

*[Signature]*  
Notary Public  
State of New York  
Commission Expires *79*

GENERAL PARTNER'S ACKNOWLEDGMENT

STATE OF NEW YORK )  
COUNTY OF *KINGS* ; SS.:

On the *14<sup>th</sup>* day of September, 1978, before me personally came Theodore R. Lerner, to me known to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.

JOANNE ZIZZO  
Notary Public, State of New York  
No. 1002447  
Qualified in Kings County  
Commission Expires March 10, 1980

*[Signature]*  
Notary Public

PREPARED BY:

*[Signature]*  
Randy F. Bock, Esq.  
Spengler Carlson Gubar Churchill  
& Brodsky  
280 Park Avenue  
New York, New York 10017