

3. Pursuant to these agreements of limited partnership (P.Ex. 1 and 2), the Defendant, Tom S. Bruce, and his co-general partners agreed to be personally liable for all partnership debts as required by the South Carolina Uniform Limited Partnership Act (Art. 7); the two partnerships agreed to assume, be liable for and make payment of all sums due on the New York Life and Bankers Trust mortgages encumbering their respective properties (Art. 9(a), last sentence) and the Defendant, Tom S. Bruce, and his co-general partners agreed to advance to the partnerships certain funds required for the ownership and management of the partnership properties (Art. 10). Additionally, the Defendant, Tom S. Bruce, and his co-general partners in the Building Partnership guaranteed to Plaintiff: a 10% annual return on his capital contribution of \$480,000.00 for a 5-year period commencing in 1977 (P.Ex. 1, Art. 12(d)), and that the building would be 95% tenant occupied by December 31, 1976 (P.Ex. 3, Art. 3).

4. By letter dated December 7, 1976, Plaintiff's legal counsel corresponded with the Defendant, Tom S. Bruce, concerning Plaintiff's claims against this Defendant involving the New York Life mortgage default and his 95% building occupancy guarantee and requested information concerning partnership withdrawals made by this Defendant and his co-general partners. A copy of this letter was also forwarded to this Defendant's then attorney, Harvey G. Sanders, Jr.

5. On January 31, 1977, the Defendant, Tom S. Bruce, by deed, conveyed, by way of gift and without valuable consideration, to his wife, the Defendant, Mary E. Bruce, his residence and surrounding acreage, which had a value in excess of \$125,000.00. This deed was recorded in the R.M.C. Office for Greenville County in Deed Book 1050, at Page 389, on February 1, 1977. The Defendant, Mary E. Bruce, is the current record owner of this property.

6. Plaintiff paid to these partnerships the aggregate sum of \$585,000.00 representing the purchase price for this limited partnership interest -- Land Partnership, \$105,000.00; Building Partnership, \$480,000.00 -- which was to be utilized by the general partners as provided in the Limited Partnership Agreements. Utilizing these monies in derogation of their