**Title:** Does Your New York or New Jersey Partnership Have a Buy-Sell Agreement?

**Subtitle:**  Ending a&nbsp;<a href="http://www.scarincihollenbeck.com/practices/corporate-transactions-and-business-law/">New York or New Jersey business partnership</a>&nbsp;can sometimes be just as messy as ending a marriage.&nbsp;Yet, many business owners still fail to plan ahead.

**Meta Description:** Ending a New York or New Jersey business partnership may be just as messy as ending a marriage. That's why a buy-sell agreement is key.

**Date:** 1-3-2012

**Author:** Dan Brecher

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Ending a New York or New Jersey business partnership can sometimes be just as messy as ending a marriage. Yet, many business owners still fail to plan ahead.

In many ways, a partnership buy-sell agreement is akin to a pre-nuptial agreement. It outlines what happens when a partner wants to leave the business. In addition, it can also address a myriad of other changes, including what happens when a partner retires, dies, becomes incapacitated, or even gets divorced.

A buyout agreement can take several forms. For instance, it can be part of a written partnership agreement or a separate agreement altogether. While the terms should be tailored to your business, at minimum, a buy-sell agreement should address the following issues:

When creating a New York or New Jersey partnership (or closely held corporation), no one wants to think about bad times that may lie ahead. However, a buy-sell agreement is one of the best ways to plan for change and avoid costly legal disputes.

If you don’t have a buy-sell agreement in place or are concerned about how an existing agreement may impact your rights, we advise you to contact one of our experienced business attorneys.

**Raw Content:** <!-- wp:heading -->
<h2> Ending a <a href="http://www.scarincihollenbeck.com/practices/corporate-transactions-and-business-law/">New York or New Jersey business partnership</a> can sometimes be just as messy as ending a marriage. Yet, many business owners still fail to plan ahead. </h2>
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<p>Ending a&nbsp;<a href="http://www.scarincihollenbeck.com/practices/corporate-transactions-and-business-law/">New York or New Jersey business partnership</a>&nbsp;can sometimes be just as messy as ending a marriage.&nbsp;Yet, many business owners still fail to plan ahead.</p>
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<figure class="wp-block-image size-large"><img src="https://shhcsgmvsndmxmpq.nyc3.digitaloceanspaces.com/2019/04/Smart-Contracts-Primer-for-New-Jersey-Businesses﻿.jpg" alt="Smart Contracts Primer for New Jersey Businesses﻿" class="wp-image-27549"/><figcaption><a href="https://www.storyblocks.com/stock-image/waist-up-portrait-of-bearded-entrepreneurs-analyzing-risks-and-benefits-of-project-investment-with-help-of-modern-laptop-while-gathered-together-in-dim-cafe-hlbcecspawj9h2lo80">Storyblocks.com</a></figcaption></figure>
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<p>In many ways, a partnership <a href="https://scarincihollenbeck.com/law-firm-insights/business-law/buy-sell-agreement-to-avoid-legal-disputes/">buy-sell agreement is akin to a pre-nuptial agreement</a>. It outlines what happens when a partner wants to leave the business. In addition, it can also address a myriad of other changes, including what happens when a partner retires, dies, becomes incapacitated, or even gets divorced.</p>
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<ul><li>Whether a departing partner must be bought out;</li><li>How the departing partner’s interest in the partnership will be valued;</li><li>Who can buy the departing partner’s share of the business, i.e. other partners only or third-parties; and</li><li>What other circumstances may trigger a buyout, including the personal bankruptcy of a partner, the disability, death, or incapacity of a partner, or a divorce settlement in which a partner’s ex-spouse stands to receive a partnership interest in the company.</li></ul>
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