**LIMITED LIABILITY PARTNERSHIP AGREEMENT**

**DATED \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 2021**

**BETWEEN**

**XXXXXXXXXXXXXXXXXXXX**

**(together as the “PARTNERS”)**

**- & -**

**XXXXXXXXXXXXXXXXXXXX**

**(together as the “MANAGER”)**

**- relating to –**

**XXXXXXXXXXX LIMITED LIABILITY PARTNERSHIP**

**(XXXXXXXXXX LLP)**

**Drawn By: -**



I&M Bank House, 7th Floor

2ndNgong Avenue

P.O. Box 22588-00505,

**Nairobi.**

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**THIS AGREEMENT** is made this …………… day of …………………. Two Thousand and

**BETWEEN:**

1. **XXXXXXXXXXX** of Post Office Box Number XXXXXXXXXXXXXXXX, Nairobi (hereinafter called the **“Managing Partner”** which expression shall where the context so admits include his personal representatives and assigns) of the first part; and
2. **XXXXXXXXXX** of Post Office Box NumberXXXXXXXXXXX, Nairobi (hereinafter called **“Partner”** which expression shall where the context so admits include the his personal representatives and assigns) of the second part; and
3. **XXXXXXXXXX,** a limited liability partnership duly registered in the Republic aforesaidof P.O Box 35873-00100, Nairobi (hereinafter called “**the LLP**” which expression shall where the context so admits include its successors and assigns) of the third part.

The Parties shall hereinafter be individually referred to as the “Party” and collectively as the “Parties”.

**WHEREAS**

1. The partners are desirous of registering a Limited Liability Partnership under the Limited Liability Partnerships Act, No. 42 of 2011, trading in the name **XXXXXXXX LLP**, hereinafter known as the LLP, and have agreed to join and work together in the business of the acquisition, leasing, developing and otherwise dealing in real estate in the terms set out in this Deed with effect from and including the date of this Deed.
2. For purposes of clarity and to set out their respective rights, liabilities, obligations, duties and other incidental matters concerning the partnership, the partners have agreed to enter into, to be bound and to be subject to the provisions of this Partnership Agreement.

**IT IS AGREED as follows:**

# Interpretation

* + 1. In this Agreement the following terms shall unless the context otherwise requires have (whether with or without the definite article) the following meanings:
       1. **“the Act”** means the Limited Liability Partnership Act, No. 42 of 2011**.**
       2. **“the Accountants”** means the duly appointed firm of chartered accountants approved by the Partners to be appointed as accountants to the LLP.
       3. **“the Auditors”** means the duly appointed Auditors of the LLP.
       4. **“Audited Accounts”** the accounts of the Partnership prepared and audited in accordance with the law.
       5. **“Capital Accounts”** means the separate Capital Accounts maintained for each Partner.
       6. **“Capital Contributions”** means in relation to each Partner, the aggregate of the capital contributed by that Partner to the LLP.
       7. **“Capital Gain”** means in relation to any realisation or distribution in specie of the Property, the capital gain thereon.
       8. **“Commencement Date”** means the ...... day of .......................... 20…..
       9. **“Confidential Information”** means all information or data disclosed (whether in writing, orally or by any other means) to one Partner by the other Partner or by a third Party on behalf of any Partner and shall include without limitation:
       10. information relating to the officers, or employees of both Partners and/or any potential Subsidiary and/or any Affiliate including their terms and conditions of employment or engagement;
       11. information which is disclosed orally and identified as confidential at the time of disclosure;
       12. all analysis, compilations, studies or documents prepared by any Partner and incorporating the Confidential Information;
       13. any other information which may be from time to time identified by the Partner as being of a confidential nature and subject to the provisions of this Deed;

and shall include without limitation any information ascertainable by the inspection or analysis of samples or documents;

* + - 1. **“Current Accounts”** means the separate accounts maintained for each Partner in accordance with this Deed to which all profits payable to it by to it by the LLP are credited.
      2. **“this Agreement**” means this partnership agreement as the same may be amended or supplemented from time to time.
      3. **“Financial Year”** means the period from 1st January in one year to 31st December in the next year (inclusive) or such other period as the Partners may agree from time to time
      4. “**LLP**” means the partnership under the name **XXXXXXXXXXXXXX LLP**
      5. “**LLP Business”** means the Business as described in Clause 2 of this Deed.
      6. **“Manager**” means at the person(s) duly appointed and registered as provided under the Act.
      7. **“Maximum Limit”** means the drawings from the firm account which require the signature of at least two partners
      8. **“Outgoing Partner”** means a Partner who ceases to be a member of the Partnership by his death or as a result of his retirement or expulsion in accordance with any provision of this Agreement and including (where the context admits) the personal representatives trustee in bankruptcy or receiver of any such Partner
      9. **“Partners”** means the parties to this Agreement and such other persons as may be admitted to the Partnership from time to time including (where such have been appointed) their respective personal representatives trustees in bankruptcy receivers and administrators
      10. **“Percentage Interest”** means the value of interest in the Partnership that each Partner holds in the form of percentage.
      11. **“Profits”** the distributable profits of the LLP in any Financial Year as shown in the Audited Accounts
      12. **“Succession Date”** means, in respect of an Outgoing Partner, the date of his exit, death retirement or expulsion (as the case may be)
      13. **“Tax”** includes income tax, corporation tax, capital gains tax, value added tax, national insurance contributions (whether employer’s employee’s or self-employed) business rate (where levied in respect of premises) and all interest or penalties levied or leviable thereon as well as all other governmental levies or imposts in the nature of tax and all interest and penalties thereon in every case where leviable on the Partners by reference to the Partnership in respect of the Partnership business
  1. **In this Agreement:**
     + 1. Each reference in this Agreement to a statute or a statutory provision shall be construed as a reference to that statute or provision as amended or re-enacted at the relevant time.
       2. The headings in this Agreement are for convenience only and shall not affect its interpretation.
       3. Words importing persons or parties shall include firms and corporations and any organization having legal capacity.
       4. Words importing singular only also include plural and vice versa where the context requires.
       5. Where in the Agreement provision is made for the giving or issue of any notice, consent, approval, certificate or determination by any person, unless otherwise specified such notice, consent, approval, certificate or determination shall be in writing and the words “notify”, “certify”, or “determine” shall be construed accordingly. Any such consent, approval, certificate or determination shall not unreasonably be withheld or delayed.
       6. the masculine includes the feminine and vice versa

# Commencement and Termination

* 1. This Deed shall commence on the date of its signature by the Parties and (subject to this Agreement) shall continue thereafter until the first to occur of the following dates:
     + 1. The date of completion of the business for which this LLP is registered.
       2. The date on which all the Partners agree unanimously and in writing to terminate this Partnership**.**
  2. The LLP shall make an application to the Court for voluntary winding up in the occurrence of the following:
     + 1. The date on which all assets have been disposed of or otherwise realised by the LLP and all liabilities have been settled and the net proceeds of such disposals or realizations have been distributed to the Partners.
       2. The death, bankruptcy, insolvency, dissolution or liquidation of any Party shall not operate to terminate the LLP and the estate or trustee in bankruptcy or receiver or liquidator of a deceased bankrupt or receiver or liquidator of a deceased, bankrupt, insolvent or dissolved Partner shall not have the right to withdraw any   part of such Partner’s capital contribution or require repayment of any loan made by the Partner prior to the liquidation of the LLP. For purposes of this provision, the rights of the estate or trustee in bankruptcy or receiver or liquidator of a deceased, bankrupt, insolvent or dissolved Partner with respect to withdrawal of any part of the Capital Contribution will be limited to those applicable to an existing Party.

# Business of the LLP

* 1. The LLP is a Limited Liability Partnership registered pursuant to the Act and any change may occur in the particulars to be furnished thereunder shall be notified by the Managing Partner to the Registrar.
  2. The LLP shall with effect from the Commencement Date carry on the following business:
     + 1. To acquire by purchase, exchange or otherwise, either for an estate in fee simple or for any limited interest, certain land, houses and premises of tenure, whether subject or not to any charges or encumbrances, and to hold or to sell, develop, let, alienate, mortgage, charge or otherwise deal with all or any of such lands or premises
       2. To develop and manage the land, buildings and any other property acquired by the LLP.
       3. To carry on the business as proprietors of residential and or commercial establishments and offer student accommodation to both local and international students and to provide for the tenants and occupiers thereof any conveniences commonly provided in similar establishments.
       4. To construct, erect, maintain, either by the LLP or others, sewers, roads, streets and all other works, erections and things of any description whatsoever, either upon the lands acquired by the LLP or upon other lands and generally to alter and improve the lands and other property of the LLP.
  3. The nature of the Partnership business may be changed only by the consent of all the partners.

# Registered Office

* 1. The LLP shall have at all times a registered office in the Republic of Kenya. As at the date of this Deed, the registered office of the LLP is ………………………., P. O. Box ……………, Nairobi.
  2. The Partnership business shall be carried on at the Premises described but the partners shall have power to, by unanimous agreement, change the place of business.

# Firm Name

* 1. The Name of the Limited Liability Partnership is **XXXXXXXX LLP** and the partnership shall be known by and contract in this name of and conduct its business using only this name. Each of the Partners acknowledges that all proprietary and other rights in the name are vested exclusively in the LLP.
  2. The Firm Name shall be changed only by unanimous consent, vote and agreement of the Partners.

# Duties

* 1. Each **Partner** shall:
     + 1. Act in utmost good faith and be just and faithful to the other Partners and at all times give to the other Partners full information and explanations of all matters relating to the affairs of the Partnership.
       2. Devote his full time and attention to the Partnership and diligently and faithfully in employing himself in the Partnership business and use his best skills and endeavours to carry on that business for the benefit of the Partnership.
       3. Disclose to the other Partners on request full details of all business transacted by it or by at its direction for the account of the LLP.
       4. Provide the Managing Partner with the information concerning the LLP business in its knowledge or possession that the Managing Partner requests.
       5. Comply with any law or any professional regulations to which the LLP or Partner is or may become subject in that capacity and use reasonable endeavours to comply with any other law or contractual or other legal obligations of which he is aware.
       6. Not exceed authority conferred to it by this Agreement.
       7. Keep itself informed of and comply with all compliance procedures, manuals and other guidelines published by the Managing Partner from time to time.
       8. Every partner shall be completely conversant with and be actively involved in the day to day running and management of at least one of the services offered by the firm.
       9. Every partner shall be involved in determining the firm policies in consultation with the other partners including but not limited to a human resource policy, appointment firm lawyers, hiring of employees.
       10. Every partner shall have a duty to source for business and clients.
       11. All office resources, expenses, facilities and equipment shall be managed by all the partners jointly.
       12. Every partner shall contribute to the LLP such amounts as to be agreed on by all the Partners and deposit the same to the LLP’s bank account from which it will draw monies for specified expenses.
  2. The **LLP** will:
     + 1. Comply with the statutory duties imposed on it from time to time; and
       2. Indemnify the Partners in respect of payments made and personal liabilities incurred by them in the ordinary and proper conduct of the LLP Business.
  3. The **Manager** will:
     + 1. A Manager shall from time to time determine the operational and strategic objectives of the LLP and shall take into consideration the policies forwarded by the Partners.
       2. Manage the LLP and oversee the day-to day running of the Business.
       3. Ensure that the LLP is running in compliance with the Law
       4. In consultation with the Partners, borrow, assume, raise, any form of finance including the issuance of debt on behalf and in the name of the LLP, in such amounts and on such terms as the Partners may decide.
       5. To engage and dismiss consultants and to determine the terms of such engagement of any consultants or agents as may be deemed necessary for the running of the LLP business.
       6. To maintain insurance for the benefit of the LLP as may in his opinion and in consultation with the Partners be necessary.
       7. To make such tax, regulatory or other filings, and to render periodic or other reports to governmental or other agencies having jurisdictions over the business of the LLP or the Property as may be necessary.
  4. **Limits of Authority**
     1. Except where otherwise provided below no Partner shall without the consent of all of the others:
        1. appoint any person as an agent of the LLP
        2. terminate the employment of any employee or agent of the LLP except where in the circumstances instant dismissal is appropriate
        3. lend any of the money of the LLP to any person or persons or use the name or any other property of the LLP other than for the purposes of the Partnership business
        4. give any security or promise for the payment of money on account of the LLP or enter into any guarantee for the indebtedness of the LLP other than in the ordinary course of business or with the approval of the other Partners
        5. enter into any bond or bail or become guarantor for any person
        6. knowingly cause or suffer to be done or omitted to be done anything whereby the LLP may be prejudiced
        7. draw accept or endorse any cheque or other bill of exchange or promissory note on account of the LLP unless authorised in accordance with the then current mandate of the LLP Bank account
        8. assign mortgage or charge the Profits or LLP assets or any part of them or his interest in the LLP or any part of it
        9. use to the detriment or prejudice of the Partnership or except within his authority as a Partner divulge to any person any trade secret or any other confidential information concerning the business investments or affairs of the Partnership or any of its clients which may come to his knowledge while he is a Partner and which shall not have become public knowledge (otherwise than through his default)
        10. vet or admit new partners
        11. make payments out of and/or withdraw from the firm accounts any funds beyond the approved limits
        12. carry out any act or do such thing that jeopardizes the interests of the firm

# Manager

* 1. The Partners shall together appoint and ensure at all times that at least one (1) natural person shall at all times be the Manager.
  2. At the date of this Deed, the Manager shall be …………………………. Of P. O. Box ……………….
  3. The Partners may by written notice with immediate effect appoint another person to replace any natural person who has ceased to be a Manager and may resolve to remove a Manager.
  4. The Manager may resign by giving a three (3) months’ notice of his intention to resign from the role of Manager, save that in the case of a natural person that notice may be waived by the Partners, in which case that notice will be effective from the date of the waiver.
  5. The duties of the Manager will be as specified in the Act and in this Deed.
  6. The LLP shall indemnify the Manager from and against any claims, costs and demands arising out of payments made by him or liabilities incurred in his performance of his duties as Manager in the normal course of the operation of the LLP business or in respect of anything done out of necessity or preservation of the LLP business or the property of the LLP other than as a result of its, his or her fraud, wilful default or gross negligence.

# New Partners

* 1. If a new Partner is admitted to the Partnership that event shall be evidenced by an agreement supplementary to this Agreement executed by such new Partner and by all the other Partners so that the terms of this Agreement shall after such change continue to govern the Partnership notwithstanding such change as well as a notification to the relevant authority.
  2. All new partners shall be vetted by all the original partners.
  3. Potential new partners shall be scrutinized on the basis of their potential to contribute to the LLP’s business.
  4. The equity contribution of New Partners will be evaluated by the existing Partners and will be based on such decision reached through consensus and with such condition as prescribed by the current Partners in their absolute discretion.

# Capital Contributions

* 1. The partners will contribute jointly to the capital of the firm and will jointly determine how firm profits are to be invested for the benefit of the firm and such contribution to the Capital of the firm will correspond to the Percentage Interest.
  2. Upon making the agreed on Capital Contribution, each Partner will acquire a share in the LLP equal to the amount of its Capital Contribution.
  3. The Capital Contributions to be made by each Partner on the Capital Contribution Date, or if later, on the date if its admission and any other contributions shall be set out in separate Capital Accounts for each of the Partners.
  4. With effect on and from the Capital Contribution Date, the capital of the LLP will belong to the Partners in proportion to the Percentage Interest.
  5. The capital of the LLP shall be the amount as shall from time to time be approved by the Partners and may include sums additional sums as may be required in respect to capital contributions from the Partners for an increase in capital of the LLP.
  6. Where within two (2) months of the time of Audited Accounts have been approved by the LLP in respect of each Financial Year, a Partner is shown in the Audited Accounts to have contributed an amount to the capital of the LLP that is less than that which is specified as to be contributed from him, the amount of such deficit will become a debt due by that Partner to the LLP and interest thereon will be payable to the LLP at the LLP interest rate.
  7. Except as otherwise provided in this deed or upon agreement of the partners to that effect:
     + 1. The Partners may not draw out or receive back any part of their Capital Contributions while the LLP is still continuing.
       2. No Partner is entitled to any interest on its Capital Contribution.
  8. All Partnership assets including goodwill and the premises in which the Partnership business shall from time to time be carried on shall be Partnership property and shall belong to the Partnership itself
  9. Where the capital contributed by a Partner is in excess of the amount required from him then:
     + 1. the Firm shall pay him such amount in equal instalments over not more than **[**2**]** years from the end of the Financial Year just ended or in any other case within **[**3**]** months of the approval of the Audited Accounts for such Financial Year
  10. amounts due to a Partner under clause 9.9.1 shall bear interest until payment at the Partnership Interest Rate
  11. Except when agreed by the Partners to the contrary, no interest shall be payable on the capital of any Partner

# Books Of Account

* 1. Proper books of account for the LLP shall be kept by the Manager showing all receipts and payments on behalf of the LLP and all such other matters transactions and things as are usually written and entered into similar books of account. Such books of account shall not be removed from the Partnership premises.
  2. The books of accounts shall be audited at least once in a financial year by an independent auditor to be appointed and agreed on by the Partners.
  3. Each Partner shall by himself or by his duly authorised representative have free access to such records and shall be entitled to take copies of them for the period during which he is a Partner and for **[**2**]** years after his Succession Date.

# Annual Accounts

* 1. As at the last day of each Financial Year the Partnership shall instruct the Auditors, who will be appointed by the Partners, to take an account of the assets and liabilities of the Firm and of all dealings and transactions of the Firm during the Financial Year and of all matters and things usually contained in accounts of a like nature taken by persons engaged in a like business including without limitation due provision for Tax for which the Partnership is liable to account and in taking such account a fair and reasonable valuation shall be made of all items requiring valuation. In the preparation of such accounts there shall be brought into account the increase or decrease in value of all work-in-progress and money earned during the Financial Year to which they relate (whether or not such money shall have been actually received during that period) and proper provision shall be made for all bad and doubtful debts. No account shall be taken of goodwill. Such accounts shall be prepared for approval by all of the Partners within **[**6**]** months of the end of the Financial Year to which they relate.
  2. The balance sheet shall be signed by all of the Partners and the Audited Accounts shall then become binding on each of them except that any Partner may require the rectification of any manifest error discovered in any of the accounts within **[**6**]** months of the date when the balance sheet was signed by all of the Partners.
  3. In the event that draft accounts are not approved by all of the Partners within **[**2**]** months of being submitted to them the Partners shall refer any point of dispute for resolution by such member of the Institute of Certified Public Accountants of Kenya (ICPAK) as shall be nominated for this purpose by the Chairman of such Institute and the ruling of such member on the point of dispute shall be final and binding on all Partners.  In considering any such point of dispute such member shall be acting as an expert and not as an arbitrator

# Tax

* 1. Notwithstanding any other provisions in this Deed, each Partner shall be responsible for the payment of its own tax liabilities and shall indemnify the LLP and other Partners from any liability, expenses or other claim which they incur as a result of its non-payment of tax, save that this indemnity shall not apply to the extent that such liability , expenses or other claim arises out of gross negligence, fraud, dishonesty, wilful default, or failure to act in accordance with the terms of this Deed by the LLP or relevant Partner as the case may be.
  2. All distributions to Members may be made subject to any deduction or withholding for or on account of tax or social security contributions payable by the LLP or as required by the Law. If such deduction or withholding was required but was not made, the Manager shall notify the relevant Partner who shall forthwith pay to the LLP an amount equal to what should have been deducted or withheld.
  3. Each partner shall pay his or her share of taxes on his or her income or profit in the proportions set out in this Agreement.

# Profits, Losses And Liabilities

* 1. The Profits of an income nature for each Financial Year shall belong to the LLP and shall be distributed to the Partners in the ratio of the Percentage Interest held
  2. The Partners shall bear the losses incurred by the LLP and shall be required to contribute to the losses of the LLP.

# Drawings

* 1. Each Partner may draw [out of the Partnership Bank account] on account of his entitlement to his share of the Profits on the first day of each month such monthly sum and such additional drawings as may be agreed in advance by the Partners
  2. Shares of Profits shall not be drawn out unless and until there is a surplus available after providing for:
     + 1. (except to the extent that all of the Partners otherwise agree) all anticipated future liabilities (including liabilities for Tax) of and claims against the Partnership
       2. any sums which the Partners have agreed shall be left undrawn by a Partner in order to provide for the payment of premiums for life or pension policies taken out or to be taken out by him
       3. any sums which the Partners have agreed shall be left undrawn by a Partner to recoup sums owed by him to the Partnership
  3. If the total of the sums drawn out by any Partner in any one Financial Year together with other items debited against his current account for that year shall be found to exceed his entitlement for that year he shall repay the excess to the Partnership either:
     + 1. immediately on the adoption of the Audited Accounts for that year to the extent that the amount of such excess puts his current account into debit or
       2. in all other cases within **[**28**]** days of his being requested so to do by the other Partners
  4. The Manager with the authorization of the Partners may withdraw any sum for purposes of the firm’s business only. All expenses by the firm from the firm account must be receipted and properly filed.

# Banking

* + 1. All money and securities belonging to the Partnership shall be paid into the Partnership Bank account at or deposited for safe custody with the Partnership Bank. All cheques on the Partnership Bank account shall be drawn in the name of the Partnership

# Management

* 1. Except where otherwise provided all matters relating to the management and conduct of the affairs of the Partnership and any agreement decision or approval required by this Agreement to be made or given by the Partners shall be decided by votes taken at a meeting of the Partners. At such meetings each Partner shall be entitled to one vote and resolutions shall be passed by a simple majority vote. Meetings of Partners shall be convened on not less than [14] days’ notice given to each of the Partners [wherever he may then be].
  2. The partners may appoint one of them to be the managing partner. The partners may agree on the duties of the managing partner and whether any remuneration shall be paid to the managing partner for acting as such.
  3. At a meeting of Partners at which a resolution for the expulsion of any Partner is sought the Partner in question shall be entitled to be advised a reasonable time beforehand of the grounds of his proposed expulsion and to attend the meeting and be heard. No single resolution for expulsion shall relate to more than one Partner. For such a resolution to be effective all of the Partners other than the Partner whose expulsion is sought must vote in favour of the resolution whether attending the meeting or voting by proxy.

For avoidance of doubt, this clause gives the partners the right to expel a partner by a majority resolution.

# Retirement

* 1. Any Partner may retire from the Partnership on giving not less than **[**6**]** months’ previous notice in writing to the other Partners expiring on the last day of any Financial Year and the date of expiration of such notice shall be his Succession Date but without prejudice to any provision in this Agreement entitling the other Partners to terminate the Partnership in respect of him or to expel him during the currency of the notice
  2. If a Partner who has given a notice under this clause dies during the currency of the notice then the notice shall become void
  3. Following service of a notice under clause 19.1 the other Partners may at any time thereafter suspend such Partner from the Partnership upon such terms as they in their absolute discretion may decide and which terms shall be notified in writing to all Partners
  4. There shall be no retirement age for the partners

# Expulsion

* 1. If any Partner shall:
     + 1. commit a serious breach of any of the provisions in this Agreement which is calculated to result in the Partnership’s suffering a material disadvantage and which (if capable of being remedied) is not remedied within [14] days of a request from the other Partners for him so to do or
       2. fails to account for money received by him in respect of any Partnership transaction or
       3. fails to pay to the Partnership within [60] days of being requested in writing to do so any sum owed by him to the Partnership or
       4. act in other respects contrary to the good faith which ought to be observed by all Partners or act in such a way as to be in the opinion of all of the other Partners materially detrimental to the Partnership as a whole or
       5. is adjudged bankrupt or enters into a compromise for the benefit of his creditors generally or
       6. be convicted of any criminal offense [other than a minor motoring offence] or
       7. becomes a patient within the meaning of the Mental Health Act or
       8. does or suffers any act which would be grounds for dissolution of the Partnership by the court
       9. is continuously absent from the firm for a period exceeding six months due to prolonged illness
     1. then the other Partners (but only if they are more than one) may convene a Partners’ meeting which shall be conducted in accordance with the provisions of this Deed and having so resolved may at any time within **[**3**]** months after becoming aware of such breach by notice in writing given to the Partner concerned expel him from the Partnership and the date of service of such notice shall be his Succession Date
  2. Any question concerning the power to expel or the expulsion or purported expulsion of a Partner under this clause may be referred to arbitration and if it is found in any consequent proceedings that such Partner was unlawfully expelled then within thirty **[**30**]** days after the final determination of such dispute the expelled Partner may by notice in writing resign from the Partnership with immediate effect

# Termination

* + 1. The Continuing Partners shall have an option to purchase the interest of the Outgoing Partner in the Partnership. Such option is exercised by written notice given to the Outgoing Partner at any time within **[**3**]** months prior to or **[**2**]** months after the Succession Date subject to the following conditions:
       1. On the Succession Date the Partnership shall be terminated but only as to the Outgoing Partner and it shall continue as between the Continuing Partners
       2. The LLP will owe the Outgoing Member a sum equal to the balance standing to the credit of its capital account (if any) less the debit balance (if any) on its Current Account determined on the date that such Outgoing Member ceased to be a Member and shall be repaid as soon as is practicable thereafter.
       3. If any amounts are owing to the LLP by the Outgoing Member, the amounts shall be a debt due and payable to the LLP as soon as possible together with interest at the LLP Interest Rate from the date upon which the Outgoing Member ceased to become a Partner.
       4. The LLP will indemnify each Outgoing Member against all liabilities of the LLP (other than those incurred by the LLP as a result of the fraud or wilful default of the Member or failure by such Member to comply with their Agreement in any material respect.)If and to the extent that any Outgoing Member is entitled to any right of indemnity, reimbursement or contribution in respect of those liabilities from any person other than the LLP or any Partner, it will disclose details of any such rights of reimbursement, indemnity or contribution, and any claim made under it, to the LLP, which will be entitled to exercise those rights by way of subrogation.
       5. An Outgoing Member will at all times comply with the obligations imposed on it as an Outgoing Member by this Deed.
       6. If the Outgoing Member has been expelled, it shall have its entitlement to any credit balance on either its Current Account or Capital Account reduced by 20%, and any such reduced amounts shall be distributed to the other Members in the same proportion as their Percentage Interest.
       7. In consideration of the covenants by the other Partners contained in this Agreement each of them the Outgoing Partner and the Continuing Partners irrevocably appoints each and any of the other Outgoing and Continuing Partners his attorney for the purpose of signing executing and doing all notices documents Agreements acts and things at any time required to be singed executed or done by him

# Winding Up, Arrangements And Reconstructions

* 1. The Members may by Members’ Decision determine:
     + 1. to wind up the LLP in accordance with the Act;
       2. To propose a voluntary arrangement with the LLP’s creditors under the Act and the terms of the voluntary arrangement;
       3. To approve the terms of the voluntary arrangement proposed by a liquidator or receiver/manager under the Act;
       4. To make an application to the court for an administration order or to appoint a receiver or manager under the Act;
       5. To confer upon a liquidator general authority or authority for a particular arrangement to be made by the liquidator pursuant to the Act;
       6. Subject to any arrangement with creditors, fill a vacancy in the office of liquidator.
  2. On any winding up of the LLP, the Partners shall be repaid the amount standing to the credit of their Accounts and any remaining assets shall be distributed to the Partners pro rata to the balance of their capital accounts. If there are insufficient assets to pay the Partners the balances of their accounts, payments to such members shall abate rateably.
  3. If winding up is proposed by the LLP, the Manager may make a statutory declaration of solvency in accordance with the Act to the effect that they have made full inquiries into the LLP’s affairs and that having done so they are of the opinion that the LLP will be able to pay its debts in full. If such a declaration is made the winding up will be a Members’ winding up. If no such declaration is made the winding up will be a creditor’s winding up for those purposes.

# Indulgence And Waiver

* + 1. The failure of any of the Partners at any time or from time to time to require performance of any provision of this Agreement shall in no way affect its right to enforce such provision at a later time.  No waiver by any Partner of any condition or waiver of the breach of any term or covenant contained in this Agreement whether by conduct or otherwise in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such condition or breach or as the breach of any other term or covenant in this Agreement

# Dispute Resolution

* 1. If at any time any dispute or question shall arise between the Partners (including any Outgoing Partner) about any issue concerning the LLP or its accounts or transactions or its dissolution or arising out of or in connection with this Agreement or its validity construction or performance, then the same shall be resolved by the Partners through good faith negotiations. In the event that the Partners are unable to reach a resolution within thirty (30) days after entering into the negotiations or such further period as the Partners shall agree in writing or the applicability of good faith has been waived, the dispute shall be referred to one (1) arbitrator to be nominated on the request of any Partner by the Chairperson for the time being of the Chartered Institute of Arbitrators**,** Kenya Chapter and according to the provisions of the Arbitration Act, 1995 and the decision of the arbitrator shall be final and binding.
  2. The seat or legal place of the arbitral proceedings shall be in Nairobi and the language to be used shall be English.

# Notices

* 1. Any notice given by any of the Partners shall be served by personal delivery or by pre-paid recorded delivery post or by telex or by facsimile transmission to the address or number of the Partner to be served as set out in this Agreement or as may be notified for that purpose from time to time.
  2. Any such notice shall be deemed to be effectively served:
     + 1. If by way of fax, when received in a legible form: or
       2. If by way of letter sent by personal delivery, upon delivery at the physical address of the Party to be served: or
       3. If by way of letter and sent by registered post, seven (7) days after the date of posting provided that proof provided that proof is given that the notice was properly addressed and duly dispatched by registered post.
  3. and in each case notice shall be deemed given both in the jurisdiction of dispatch and in that or receipt.

# Entire Agreement

* + 1. This Agreement constitutes the entire agreement between the Partners in relation to the Partnership and cancels or supersedes all prior negotiations, representations, agreements or memoranda, whether written or oral, between the Partners prior to the date of this Agreement.

# General

* 1. The provisions of this Agreement shall continue for the benefit of and shall bind the legal personal representatives heirs and estates of each of the Partners
  2. Every covenant or agreement in this Agreement given by any Partner shall be deemed to have been given or made by that Partner with the other Partners jointly and with each of them separately
  3. The Partnership will bear the legal and other costs of and incidental to the preparation of this Agreement but each Partner shall bear the costs of any separate professional assistance he may receive in that connection
  4. This Deed may be executed in a number of counterparts, all of which taken together will constitute one and the same deed and any party may enter into this Deed by executing a counterpart of this Deed.
  5. None of the rights or interests may be assigned or transferred without the approval of the other Partners.
  6. No exercise or failure to exercise any right or remedy will constitute a waiver by that Partner, Manger or LLP of that or any other right or remedy available to it.
  7. He covenants and agreements contained herein shall be binding upon and inure to the benefit of the heirs, executors, administrators, personal or legal representatives, successors and assigns of the respective parties hereto.

# Confidentiality

* 1. No Member will use to the detriment or prejudice of the LLP or other Members or divulge to any person any trade secret or other Confidential Information concerning the LLP business or the business of the other Members or the provisions of this Deed other than:
     + 1. as required by the applicable law:
       2. to its professional advisers (subject to obtaining an equivalent undertaking from them) or;
       3. information already in the public domain

# Invalidity

* + 1. If any provision of this Dee, or its application to any Member or the LLP or circumstance is or becomes invalid or unenforceable to any extent, the remainder of the Deed and its application will not be affected and will remain enforceable to the greatest extent permitted by law.

# Default provisions.

* + 1. None of the default provisions in the First Schedule of the Act shall apply to the mutual rights and duties of the Partners of the LLP.

# Governing Law

* + 1. This Deed is governed by and will be construed in accordance with the laws of the Republic of Kenya.

**IN WITNESS** whereof each of the Partners has signed this Agreement the day and year first

above written.

**SIGNED BY THE PARTNERS:**

**XXXXXXXXXX** )

in the presence of : )

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in the presence of : )

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in the presence of : )

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**DRAWN BY:**

**XXXXXXXX**