

# PARTNERSHIP AGREEMENT

## GENERAL TERMS

Term of Agreement	50/50 Control	Other % Control
Changing the Agreement or Charter	<input type="checkbox"/>	_____
Terminating or Dissolving the Partnership	<input type="checkbox"/>	_____
Increasing or Transferring Registered Capital	<input type="checkbox"/>	_____
Merging with other Organizations	<input type="checkbox"/>	_____
Approving Important Reports from Management	<input type="checkbox"/>	_____
Profit Allocation	<input type="checkbox"/>	_____
Loss Allocation	<input type="checkbox"/>	_____
Approving Important Joint Venture Regulations	<input type="checkbox"/>	_____
Approving External Borrowing	<input type="checkbox"/>	_____
Hiring Consultants	<input type="checkbox"/>	_____
Designing Employment Contracts	<input type="checkbox"/>	_____
Establishing Subsidiaries	<input type="checkbox"/>	_____
Closing Subsidiaries	<input type="checkbox"/>	_____
Hiring Senior Management	<input type="checkbox"/>	_____
Firing Senior Management	<input type="checkbox"/>	_____
Liquidating Assets Upon Completion or Termination	<input type="checkbox"/>	_____

**1. Partners.** \_\_\_\_\_, (the Partners), agree to the following terms and conditions.

**2. Partnership Name.** The Partners will do business as a partnership under the name of \_\_\_\_\_.

**3. Partnership Duration.** The partnership began / will begin on \_\_\_\_\_.

It will continue

[ ] indefinitely until it is ended by the terms of this agreement.

[ ] until \_\_\_\_\_, unless ended sooner by the terms of this agreement.

**4. Partnership Office.** The main office of the partnership will be at \_\_\_\_\_.

[ ] the above address.

[ ] the following address: \_\_\_\_\_.

**5. Partnership Purpose.** The primary purpose of the partnership is \_\_\_\_\_.

**6. Capital Contributions.** The Partners will contribute the following capital to the partnership on or before \_\_\_\_\_.

**A. Cash Contributions**

Partner's Name	Amount
_____	\$ _____
_____	\$ _____

**B. Non-Cash Contributions**

Partner's Name	Description of Property	Value
_____	_____	\$ _____
_____	_____	\$ _____

**7. Capital Accounts.** The partnership will maintain a capital account for each Partner. The account will consist of the Partner's capital contribution plus the Partner's share of profits and less the Partner's share of losses and distributions to the Partner. A Partner may not remove capital from his or her account without the written consent of all Partners.

**8. Profits and Losses**

A. The net profits and losses of the partnership will be credited to or charged against the Partners' capital accounts

[ ] in the same proportions as their capital contributions.

[ ] as follows: \_\_\_\_\_.

B. The partnership will only make distributions to the Partners if all the Partners agree.

**9. Salaries.** No Partner will receive a salary for services to the partnership.

**10. Interest.** No interest will be paid on a Partner's capital account.

**11. Management.** Each Partner will have an equal say in managing the partnership.

[ ] All significant partnership decisions will require the agreement of all the partners.

[ ] Routine partnership decisions will require the agreement of a majority of the partners. The following partnership actions will require the agreement of all the Partners:

[ ] borrowing or lending money

[ ] signing a lease

[ ] signing a contract to buy or sell real estate

[ ] signing a security agreement or mortgage

[ ] selling partnership assets except for goods sold in the regular course of business

[ ] other: \_\_\_\_\_

**12. Partnership Funds.** Partnership funds will be kept in an account at \_\_\_\_\_, unless all Partners agree to another financial institution.

Partnership checks:

[ ] may be signed by any Partner.

[ ] must be signed by all the Partners.

[ ] must be signed by \_\_\_\_\_ Partners.

**13. Agreement to End Partnership.** The Partners may unanimously agree to end the partnership.

**14. Partner's Withdrawal**

[ ] The partnership will end if a Partner withdraws by giving written notice of such withdrawal to each of the other partners.

[ ] Upon the withdrawal of a Partner, the other Partners will, within 30 days, decide either to end the partnership or buy out the withdrawing Partner's interest and continue the partnership. A decision to buy out the withdrawing Partner's interest and continue the partnership requires the unanimous consent of the remaining Partners.

**15. Partner's Death**

[ ] The partnership will end if a Partner dies.

[ ] Upon the death of a partner, the other Partners will, within 30 days, decide either to end the partnership or buy out the deceased Partner's interest and continue the partnership. A decision to buy out the withdrawing Partner's interest and continue the partnership requires the unanimous consent of the remaining Partners.

**16. Buy-Out.** If the remaining Partners decide to buy the interest of a withdrawing or deceased Partner under Paragraph 14 or 15, the remaining Partners, within \_\_ days after that Partner's withdrawal or death, will pay the withdrawing Partner or the deceased Partner's estate:

[ ] The amount in the capital account of the withdrawing or deceased Partner as of the date of withdrawal or death.

[ ] The fair market value of the interest of the withdrawing or deceased partner as determined by the partnership's accountant.

[ ] other: \_\_\_\_\_

**17. Entire Agreement.** This is the entire agreement between the parties. It replaces and supersedes any and all oral agreements between the parties, as well as any prior writings.

**18. Successors and Assignees**

This agreement binds and benefits the heirs, successors and assignees of the parties.

**19. Notices.**

All notices must be in writing. A notice may be delivered to a party at the address that follows a party's signature or to a new address that a party designates in writing. A notice may be delivered:

- (1) in person,
- (2) by certified mail, or
- (3) by overnight courier.

**20. Governing Law.** This agreement will be governed by and construed in accordance with the laws of the state of \_\_\_\_\_.

**21. Counterparts.** The parties may sign several identical counterparts of this agreement. Any fully signed counterpart shall be treated as an original.

**22. Modification.** This agreement may be modified only by a writing signed by the party against whom such modification is sought to be enforced.

**23. Waiver.** If one party waives any term or provision of this agreement at any time, that waiver will only be effective for the specific instance and specific purpose for which

the waiver was given. If either party fails to exercise or delays exercising any of its rights or remedies under this agreement, that party retains the right to enforce that term or provision at a later time.

**24. Severability.** If any court determines that any provision of this agreement is invalid or unenforceable, any invalidity or unenforceability will affect only that provision and will not make any other provision of this agreement invalid or unenforceable and such provision shall be modified, amended or limited only to the extent necessary to render it valid and enforceable.

Partner Signature	Date
_____	_____
Printed Name	Address
_____	_____
Partner Signature	Date
_____	_____
Printed Name	Address
_____	_____