

BETWEEN each of the Members as listed in Schedule 2 hereto.

WHEREBY it is agreed as follows:

## **1. Interpretation**

- 1.1. This Agreement shall be interpreted in accordance with Schedule 1.
- 1.2. Reference to a statute or statutory provision includes a reference to that statute or statutory provision as amended, extended or re-enacted.
- 1.3. Words denoting the singular number include the plural and vice versa.
- 1.4. Unless the context otherwise requires, a reference to any clause, sub-clause, paragraph or schedule is to a clause, sub-clause, paragraph or schedule of or to this Agreement.
- 1.5. The headings in this document are inserted for convenience only and shall not affect the constitution or interpretation of this Agreement.
- 1.6. Reference to a Member, Defaulting Member, Continuing Member or Outgoing Member (where the context admits) includes a reference to his or her executors, personal representatives, estate, receiver or trustee in bankruptcy.

## **2. Language**

- 2.1. If this Agreement is translated into any language other than English, the English language text shall prevail.

## **3. Incorporation and commencement**

- 3.1. The Name of the LLP shall be **Partnership name**.
- 3.2. The address of the Registered Office of the LLP shall be **Registered office**.
- 3.3. The Members identified in the list of Designated Members in Schedule 2 shall be the initial Designated Members of the LLP.
- 3.4. The Designated Members shall complete and deliver to Companies House all such documents and pay all such fees as shall be necessary to lead to the incorporation of the LLP in accordance with the Act.
- 3.5. The certificate of registration of the LLP issued under the Act shall be kept at the Registered Office.
- 3.6. The Commencement Date shall be the date which the Registrar of Companies has certified as the date of incorporation of the LLP.
- 3.7. The provisions of this Agreement shall be deemed to have taken effect on the Commencement Date.
- 3.8. The LLP shall carry on the Business and/or carry on such other or additional trade, profession or business as the Members shall from time to time determine.
- 3.9. Upon the Commencement Date any previous agreements entered into by the Members, a Member or some of the Members for the purpose of governing the LLP or the Business shall be determined and the terms of this Agreement shall prevail. This provision shall not prevent the later amendment of the terms and conditions of this Agreement by the Members should they see fit to do so in accordance with clauses 22.3 and 5.1
- 3.10. In the event that any Member may be personally liable under any contract entered into by him prior to the incorporation of the LLP which was for the benefit of the LLP and with the express or implied consent of the other Members then the LLP shall on incorporation be deemed to ratify that contract and shall indemnify that Member from and against all claims, liabilities and costs in connection with it.

## **4. Name and registered office**

- 4.1. The LLP may from time to time decide to change the Name and/or the Registered Office.
- 4.2. Upon any change in the Name and/or the Registered Office:
  - 4.2.1. it shall be the responsibility of the Designated Members to notify Companies House of any such change in accordance with the Act; and
  - 4.2.2. the LLP shall (in the case of a change of the Name) notify such change to all authorities or regulatory bodies which may have any responsibility for the operation of the Business and to all clients and customers of and all suppliers of goods and services to the LLP.

## 5. Duration and constitution

- 5.1. Any alteration to the terms and conditions of this Agreement shall be made in accordance with clause 22.3 Any alterations shall be in writing and shall be signed by each of the Members so as to record their consent to any such alteration.

## 6. Business of the LLP

- 6.1. The Members shall carry on the Business and/or carry on such other or additional trade, profession or business as it shall from time to time determine in accordance with clause 22.3
- 6.2. The Members shall at all times conform to the rules and regulations of any relevant professional and/or regulatory bodies that they or any other members of the LLP are subject to.

## 7. LLP name

- 7.1. The Business shall be carried on under the name **Partnership name**.
- 7.2. The LLP may from time to time agree to change its name upon reaching a unanimous agreement of the Members in accordance with the provisions of clause 22 of this Agreement.
- 7.3. If the Members agree to change the name of the LLP in accordance with clause 22 then the **second variant #1** shall give reasonable notice of any such change immediately to all authorities or regulatory authorities that have or may have any responsibility for the operation of the Business and to all clients, customers and suppliers of goods and services of and to the LLP.

## 8. LLP Property and place of business

- 8.1. The LLP Premises as at the Commencement Date are as set out in Schedule 4.
- 8.2. The Business shall be carried on by the LLP from the Premises.
- 8.3. The Property shall be vested in the LLP.
- 8.4. The cost of all rent (if applicable), rates, repairs, insurance and other outgoings and expenses relating to the Premises and to any other new premises acquired for the purpose of the LLP business shall be borne by the LLP.
- 8.5. If any part of the Property is vested in the individual names of one or more Members then, in the absence of an express written agreement to the contrary, each Member shall hold the same in trust for the LLP and shall be indemnified from any liability which may arise directly or indirectly from such vesting.

## 9. Records and account

- 9.1. Proper books of account (including any computerised accounting system from time to time used by the LLP) as to the affairs of the LLP shall be kept and maintained up to date by the Members. Each Member shall keep full and proper records of all business transacted by him or her on account of the LLP.
- 9.2. Such books of account (including the data held on any such computerised system as is referred to in clause 9.1) shall be;
  - 9.2.1. kept at such place(s) as the Members may from time to time determine; and
  - 9.2.2. open to inspection by all Members who may take copies of all entries.
- 9.3. The Accounting Period shall run for 12 calendar months, commencing on \_\_\_\_\_ each year and ending on \_\_\_\_\_ the following year.

- 9.4. The Designated Members shall appoint the Initial Accountants or such other accountants as the Members may have decided to appoint in accordance with clause 9.11.2 as Accountants of the LLP for the next ensuing Accounting Period.
- 9.5. Before the start of each Accounting Period the Members shall draw up and agree a budget setting out their best estimate of the income and outgoings of the LLP for the next Accounting Period and by reference to that budget they shall by resolution determine the level of Drawings for each Member for the next Accounting Period and what sums ought to be provided, reserved or set aside for the following matters:
- 9.5.1. the payment of taxation in respect of each Member's share of the profits of the LLP;
  - 9.5.2. the repayment of borrowings by the LLP;
  - 9.5.3. the cost of any agreed expansion of the Business; and
  - 9.5.4. any other provision which the Members consider reasonable or prudent.
- 9.6. As soon as practicable after the end of each Accounting Period a balance sheet (taking no account of goodwill) and a profit and loss account shall be prepared of all the assets and liabilities of the LLP on that date and of all dealings and transactions of the LLP during that Accounting Period ('the Accounts').
- 9.7. The Designated Members shall in conjunction with the Accountants ensure that the accounts comply with all the applicable requirements of the Companies Act 2006. The Accounts shall be approved by the Members.
- 9.8. To indicate that they approve the Accounts in accordance with clause 9.7, each Member is required to sign them. In the event that a Member refuses or neglects to approve the Accounts he or she shall be deemed to have approved the Accounts upon the expiry of one month following receipt of a written notice from a majority of the other Members and a written statement from the Accountants that they believe them to have been properly prepared. In this event, a note recording the refusing Member's failure to approve the Accounts shall be placed upon the Accounts. The Accounts shall not become binding upon the refusing Member in accordance with clause 9.9
- 9.9. When the Accounts are approved and signed, they shall be binding on the Members except that any Member may request the rectification of any manifest error that is identified within three calendar months after the Accounts are signed.
- 9.10. The Designated Members shall ensure that the LLP's Annual Return and the Accounts are submitted to the Registrar of Companies on or before the dates specified by the Companies Act 2006.
- 9.11. The Members may from time to time in accordance with any relevant statutory provisions and following a unanimous decision, resolve to;
- 9.11.1. amend the Accounting Period and Accounts Date;
  - 9.11.2. replace the Accountants (or any replacement for them); or
  - 9.11.3. appoint other accountants to advise on, and in connection with, a matter other than the preparation of the Accounts.

## **10. Banking**

- 10.1. The bankers of the LLP shall be the Bank and any such other bank as the Members may from time to time appoint as a subsidiary bank of the LLP.
- 10.2. The Initial Bank of the LLP shall be **Name of bank** Bank plc.
- 10.3. The Members reserve the right to replace the Initial Bank (or any replacement for it) at any time following unanimous resolution.
- 10.4. All LLP moneys, cheques and drafts (not required for current expenses) shall, as and when received, be paid into the bank accounts of the LLP and all securities for money shall be promptly deposited in the name of the LLP with such bankers as may be appropriate.

## **11. Capital**

- 11.1. The Contributions of the Members towards the Capital of the LLP as at the Commencement Date are set out in Schedule 3. The Members' Capital Accounts shall on the Commencement Date be credited with these amounts.

- 11.2. All Capital shall belong to the Members jointly and be held by them in the proportions set out below.
- 11.3. The Members' Capital Accounts shall at the relevant time have credited or debited to each of them as the case may be;
  - 11.3.1. any Contributions made by them;
  - 11.3.2. any Repayments made to them;
  - 11.3.3. any share of any capital profit or loss belonging to or to be borne by them;
  - 11.3.4. any Revaluation Amount; and
  - 11.3.5. the balance of their Current Accounts as at each Accounts Date.
- 11.4. The relevant time for any credit or debit to be effected under clause 11.3 shall:
  - 11.4.1. in the case of any Contribution, Repayment, or share of capital profit or loss, be when the item in question is paid or realised; and
  - 11.4.2. in respect of any Revaluation Amount, be the Accounts Date next following the Revaluation unless the Revaluation shall have been carried out in accordance with clause 13.1.2; and
  - 11.4.3. in the case of any transfer of a Current Account balance, be the Accounts Date in question (to the intent that Members' Current Accounts on the first day of each Accounting Period shall be deemed to have had nil balances).
- 11.5. Any Member wishing to make a Contribution or seeking a Repayment may make the Contribution or take the Repayment if the Members shall agree to this and shall do so subject to any reasonable terms and conditions that the Members impose in relation to the time or manner of payment.
- 11.6. The Members may decide that Contributions of specified amounts or Repayments of specified amounts shall be made upon such date(s) as they shall require and in the case of any Contribution the Members shall upon the appropriate date make the appropriate payment to the LLP bank account unless the decision shall have been that such Contributions are to be made out of retained profit in respect of any Accounting Period.
- 11.7. In the event that any Contribution by a Member or any Repayment to a Member takes the form of the transfer of an asset rather than the payment of a sum of money then the Members shall endeavour to agree between themselves the value to be placed on the asset in question but in default of agreement:
  - 11.7.1. the same shall be valued in writing by a suitably qualified and insured independent valuer or valuers who shall be selected by and whose terms of instruction shall be decided by the LLP and whose fees shall be payable as a trading expense of the LLP provided that any decision as to the identity, terms of instruction, or fees of any such valuer shall only be made after giving reasonable opportunity to the Member by whom or to whom the Contribution or Repayment is to be made to comment on the same and after taking reasonable account of any such comments;
  - 11.7.2. a copy of the report of any valuer as above shall be made available without cost to any Member who shall request the same; and
  - 11.7.3. any such valuation shall (unless the Members shall unanimously agree) be final and binding upon the Members.
- 11.8. The Members shall be entitled to a share in the Capital in the Agreed Proportions.

## **12. Current Accounts**

- 12.1. Accounts shall be kept in respect of each of the Members showing the amounts of:
  - 12.1.1. profit or loss (other than profit or loss of a capital nature) to be credited or debited to them in accordance with clause 14;
  - 12.1.2. any Drawings to be debited to them;
  - 12.1.3. any payments of or provisions for Tax or releases of such provisions to be made in accordance with clause 15.2;

- 12.1.4. any other credits or debits which are of an annual and not of a capital nature.
- 12.2. Upon the approval or deemed approval of the Accounts in respect of any Accounting Period the credit or debit balance as the case may be of the Current Accounts of each Member for the Accounting Period in question shall be transferred to each Member's Capital Account in accordance with clauses 11.3.5 and 11.4.3 unless otherwise decided by the Members.
- 12.3. After determination of the sums which are to be reserved, provided, set aside or released under clause 15.2 each Member must, unless otherwise agreed, draw out of the LLP's bank account the undrawn balance (if any) of his or her share of the profits shown in the profit and loss account, less his or her share of the amounts reserved, provided or set aside under clause 15.2.1, together with his or her share of any amount released under clause 15.2.2 Any balance which it is agreed by the Members shall not be drawn by him or her shall be placed to the credit of his or her Capital Account with the LLP.

### 13. Revaluations

- 13.1. A Revaluation in respect of any asset or group of assets shall be carried out;
  - 13.1.1. if the Members decide to undertake a Revaluation in order to determine the current value of any assets as at any Accounts Date and in any event shall be carried out in respect of the Property as a matter of course every **Frequency revaluation** year; and
  - 13.1.2. within 2 months of a written notice given by an Outgoing Member, (or the executor(s) or personal representative(s) if the Outgoing Member has died) given no later than 3 months after the Cessation Date, requesting a Revaluation of any asset or group of assets, but if the reasonable fees payable in respect of such a Revaluation exceed the Revaluation Amount then the excess shall be paid to the LLP by the requesting Outgoing Member or his or her estate by deduction from any payments due to that Outgoing Member (or his estate) in accordance with Schedule 5 of this Agreement.
- 13.2. If the Members so decide and the Outgoing Member (or his or her executor(s) or personal representative(s)) that has raised a request in accordance with clause 13.1 consent, the Revaluation may be determined by the Members themselves.
- 13.3. In all other cases, the Revaluation shall be conducted and confirmed in a written report by a suitably qualified and insured independent valuer or valuers. The identity, terms of instruction and fees of such valuer(s) shall be decided by the LLP. The cost of the Revaluation shall be treated as a trading expense.
- 13.4. A copy of the report of any valuer undertaking a Revaluation shall be made available to any Member, Outgoing Member or his or her executor(s) or personal representative(s) at his or her request free of charge.
- 13.5. Any such Revaluation shall be binding and final upon the Members and (if applicable) Outgoing Member or their executor(s) or personal representative(s) unless the Members agree otherwise by unanimous resolution.

### 14. Profits and losses

- 14.1. The profits or losses of the LLP for each Accounting Period (including capital profits or losses realised or incurred) shall be divided as set out in this clause.
- 14.2. Before the division of profits as set out below interest shall be payable out of such profits upon the amount of each Member's Capital Account as follows:
  - 14.2.1. in the event that the aggregate of the amounts of interest payable under clause shall exceed the profits of the LLP for the Accounting Period in question then the several amounts of interest to be payable shall abate rateably;
  - 14.2.2. for the avoidance of doubt in the event that the Accounts of the LLP for any Accounting Period shall show a loss then in respect of that Accounting Period no interest at all shall be payable.
- 14.3. The profits of the LLP after taking into account interest payable under clause 14.2 and any losses of the LLP shall be payable to or borne by the Members in the Agreed Proportions.

### 15. Drawings

- 15.1. There shall be paid to each Member such sum by way of Drawings as the LLP may from time to time decide. The current Drawings entitlement of each Member is as specified in Schedule 3.
- 15.2. The Members shall, before approving the Accounts, by simple majority resolution determine:
  - 15.2.1. what reserve should be made out of profits before distribution in respect of Tax estimated by the Accountants to be payable by Members in respect of the next following Accounting Period (and each Member shall be charged with his or her due proportion of such Tax);
  - 15.2.2. what other reserves should be made in accordance with clause 11.3 and
  - 15.2.3. whether any amount provided for, reserved or set aside in an earlier Accounting Period which the Accountants advise is no longer necessary should be released.
- 15.3. The LLP shall pay for the benefit of each Member such amounts of Tax as shall be payable by him or her. Any refund of Tax payable to any Member shall be paid by him or her to the LLP unless the same shall result from any cause not related to the LLP.
- 15.4. Subject to clauses , 12.3 and 15.2 each Member shall, unless the Members decide otherwise, be entitled to be paid by the LLP the balance (if any) of his actual share of any undrawn profits shown in the accounts for any Accounting Period at any time after the same have been approved.
- 15.5. If in an Accounting Period the aggregate amount of Drawings taken by a Member and the amounts of any Tax reserved for that Member (net of any released reserves) exceed the amount of his or her share of the profits for that Accounting Period, he or she shall, immediately after signing the Accounts for that Accounting Period, repay the excess and in default shall pay interest on the excess or such part thereof as shall from time to time be outstanding at the rate of 8% per annum until the date of repayment.

## **16. Indemnity**

- 16.1. The LLP will indemnify the Members from and against any sums, demands or claims arising or liabilities incurred in the performance of their LLP duties, in the ordinary course of the LLP's Business, or in respect of any action taken that is necessary for the preservation of the LLP or in respect of any contract entered into by a Member(s) on behalf of the LLP with the express or implied consent of the other Members subject to the limitations otherwise set out within clause 17 of this Agreement.

## **17. Expenses**

- 17.1. Each Member shall be fully reimbursed for all out-of-pocket expenses properly incurred in accordance with his or her duties to the LLP provided that:
  - 17.1.1. A full receipt and VAT invoice where appropriate is provided for each expense claimed; and
  - 17.1.2. If a LLP credit card is used, all vouchers or receipts for items charged to the credit card are provided for each charge made.
- 17.2. The **second variant #1** may from time to time resolve to place upper limits on any category or categories of expenses of which reimbursement may be claimed by Members.

## **18. General insurance**

- 18.1. The **second variant #1** shall maintain policies of insurance with a reputable company for such respective amounts as they determine in respect of:
- 18.2. employers' liability;
- 18.3. public liability;
- 18.4. professional negligence;
- 18.5. loss or damage, including consequential loss of profit by reason of such loss or damage, in relation to:
  - 18.5.1. the Property;
  - 18.5.2. all plant, equipment and other items belonging to or used by the LLP;

- 18.5.3. any virus or the corruption or loss of any software or data in the case of any computers or ancillary equipment of or used by the LLP.
- 18.6. The **second variant #1** shall review the policies and the respective amounts that they insure on a regular basis as and when is necessary. In the case of professional negligence insurance, the **second variant #1** shall ensure that the insurance cover includes any liability of the LLP and indemnifies past and present Members and past and present employees for any personal liability.

## 19. Life and personal accident and sickness insurance

- 19.1. The LLP may effect and maintain for its own benefit such life insurance and/or personal accident and sickness policies in such sums on the lives of, or in respect of, such of the Members as may from time to time be determined, and Members shall co-operate in the obtaining of such policies and in particular, but without limitation, shall undergo such medical examination(s) as shall be reasonable.
- 19.2. For the avoidance of doubt, the premiums in respect of all policies of insurance provided for in this clause shall be paid by the LLP and shall for accounting purposes be treated as an expense of the LLP generally.

## 20. Advances to the LLP

- 20.1. If a Member, with the written consent of the other Members, advances a sum of money to the LLP otherwise than as required under clause 11.6 in excess of his or her due contribution to the Capital, the advance shall be a debt due from the LLP to him or her and shall carry interest, calculated on a day-to-day basis at the rate of **Interest on a debt due from partnership to partner** above the Bank of England's base rate and be payable yearly on the last day of each Accounting Period whilst the advance remains outstanding and on repayment.
- 20.2. The sum advanced shall not be credited to the Member's Capital Account or entitle him or her to an increased share in the profits of the LLP.
- 20.3. An advance made under clause 20.1 shall be repaid, together with accrued interest, at the expiration of not less than **Months notice required for the return of a sum advanced to the company** months' notice in writing given by the Member who made the advance to the LLP.

## 21. Holiday Leave

- 21.1. Each Member shall be entitled in each calendar year to **Length** days of Holiday Leave in addition to public holidays or to such other period as the Members may from time to time agree.
- 21.2. Each Member shall give reasonable notice to the LLP of his or her intended dates of Holiday Leave and shall be responsible for ensuring that those dates do not conflict with the dates of any leave already notified to the LLP by such other Members or senior employees of the LLP as may be appropriate having regard to the work undertaken by the Member.

## 22. Meetings and voting

- 22.1. A general meeting of the Members shall be convened at intervals of approximately three months as determined by the **second variant #1** to consider the Business and affairs of the LLP.
- 22.2. Written notice of LLP meetings shall specify the place, day and hour of the meeting and shall contain an agenda of issues to be discussed.
- 22.3. All decisions that are fundamental to the structure of the LLP and/or the Business shall require a unanimous resolution. In particular the following matters shall always require a unanimous resolution of the Members:
- 22.3.1. borrowing any sum in excess of £**Borrowing money**;
  - 22.3.2. giving a guarantee;
  - 22.3.3. opening a new branch office or closing an existing office;
  - 22.3.4. increasing the capital of the LLP;
  - 22.3.5. expanding, altering or otherwise changing the nature of the Business;
  - 22.3.6. introducing into the LLP a new Member (whether profit sharing, salaried or otherwise);
  - 22.3.7. amending this Agreement;



- 22.3.8. a change in the name or the adoption of an additional trading name to be used by the LLP;
  - 22.3.9. an amendment under the provisions of clause 12.2;
  - 22.3.10. the expulsion of any Member (for which purpose the vote of the Member whose expulsion is being considered shall not be counted); and
  - 22.3.11. a decision to wind up the LLP.
- 22.4. Any matter that is not fundamental to the structure of the LLP and/or the Business or listed in clause 22.3 shall be decided by a simple majority resolution of the Members.
- 22.5. A Member may appoint another Member to vote as his or her proxy if he or she is unable to attend a meeting. To be effective, the proxy form must be given to the chairman not less than **Hours notice** hours before the time for holding the meeting. When submitting the proxy form, a Member shall use the standard wording and form as set out in Schedule 7.
- 22.6. The quorum for a meeting shall be **Quorum size** Members (present in person or by proxy). If the quorum is not present within 15 minutes of the time for which the meeting is convened, the meeting shall be cancelled.
- 22.7. Minutes shall be taken of all LLP meetings and (subject to any agreed amendments) shall be approved and signed by the chairman of the following meeting. The minutes, when signed, shall be binding on the Members.
- 22.8. For the avoidance of doubt no Member who is at any time within any of the circumstances prescribed by Section 7(1) of the Act shall have an entitlement to attend any meeting of the Members or the Management Team or have any vote at any such meeting and any reference to a resolution requiring to be signed by Members shall be deemed to exclude reference to signature by any such Member.

### 23. Good faith

- 23.1. Each Member shall at all times:
- 23.1.1. be just and faithful to the other Members in all matters relating to the LLP and give them at all times full information and explanation of all matters relating thereto;
  - 23.1.2. devote his or her whole time and attention to the LLP and use his or her best skills and endeavours to carry it on for the benefit of the LLP;
  - 23.1.3. conduct himself or herself in a proper and responsible manner;
  - 23.1.4. conduct himself or herself in accordance with the requirements of any professional regulator or organisation as appropriate and
  - 23.1.5. use his or her best endeavours to promote the LLP.

### 24. Limitations on Members

- 24.1. No Member shall without the prior written consent of the **second variant #1**:
- 24.1.1. engage directly or indirectly in any business other than that of the LLP or accept any office or appointment;
  - 24.1.2. engage or (except for gross misconduct) dismiss any employee of the LLP earning more than **Right to dismiss** per annum;
  - 24.1.3. employ any of the assets of the LLP or pledge its credit otherwise than in the ordinary course of business and for the benefit of the LLP;
  - 24.1.4. compromise or compound or (except upon payment in full) release or discharge any debt due to the LLP;
  - 24.1.5. buy or contract for any goods, services or property on behalf of the LLP involving an aggregate commitment of more than **£Contracting for goods and/or services** or lease any asset for an amount involving more than **£Lease of assets** per annum or **£Lease term value** over the term of the lease;
  - 24.1.6. give any guarantee on behalf of the LLP;



- 24.1.7. procure that the LLP shall enter into any bond or become bail or surety for any person, firm or company or do or knowingly cause or suffer to be done anything if, as a result, any LLP property may be taken in execution or otherwise endangered;
  - 24.1.8. assign, mortgage or charge his or her share in the LLP or enter into partnership or any other arrangement with any other person, firm or company concerning his or her share in the LLP;
  - 24.1.9. draw any cheque on any account of the LLP which is not in accordance with the then current mandate in respect of that account.
- 24.2. Any Member in breach of the limitations imposed by this clause 24 shall indemnify and keep the other Members indemnified from and against all losses, damages, actions, proceedings, costs and expenses arising directly or indirectly out of such breach (without prejudice to any power of the other Members to expel him by reason of such breach).

## 25. Confidentiality

- 25.1. Unless specifically instructed by the other Members, a Member or Outgoing Member shall not divulge; shall not communicate to any individual, LLP or company; shall not make use for him or herself of; and shall use his or her best endeavours to prevent the publication or disclosure of:
- 25.1.1. any trade secret;
  - 25.1.2. any secret or confidential operations;
  - 25.1.3. any confidential information concerning the structure, Business or finances of the LLP;
  - 25.1.4. any dealings, transactions or other information whether relating to the LLP or any customer of, or supplier to, the LLP, which the Member or Outgoing Member has come to know, has received or obtained by reason of his or her being a Member.
- 25.2. For the avoidance of doubt and without prejudice to the generality of this clause 25, the names and addresses of the LLP's customers, suppliers and special processes are confidential.
- 25.3. The restrictions in this clause 25 do not apply to information or knowledge which is in the public domain other than by wrongful disclosure.

## 26. Retirement

- 26.1. Any Member may retire from the LLP on giving not less than **Retirement notice** month's written notice to the **second variant #1** expiring on the Accounts Date next following or on such earlier date as may be necessitated by medical or other reasons and agreed by the Members. The Member shall be deemed to retire on the expiry of the notice.
- 26.2. A Member shall be deemed to retire from the LLP forthwith on the service upon him or her of notice in writing requiring him or her to retire given by the Members at any time after he or she has become a patient within the meaning of the Mental Health Act 1983.

## 27. Expulsion

- 27.1. If a Member (the "Defaulting Member"):
- 27.1.1. is unable to perform his or her duties as a Member by reason of illness, injury or other cause for a period of **Unable to perform duties** consecutive months or for an aggregate of more than **Unable to perform aggregate** months during any period of 12 months; or
  - 27.1.2. commits an act of bankruptcy or is adjudicated bankrupt or has granted a trust deed for the benefit of his or her creditors or has assigned the whole or part of his or her share of the LLP within the meaning of the Limited Liability Partnerships Act 2000 or otherwise; or
  - 27.1.3. commits a grave breach or persistent breaches of this Agreement; or
  - 27.1.4. fails to pay any moneys owing by him or her to the LLP within **Failure to pay debt** days of being requested in writing by the **second variant #1** to do so; or
  - 27.1.5. fails to attend **Fails to attend meetings** consecutive LLP meetings without reasonable cause; or
  - 27.1.6. is guilty of conduct likely to have a serious adverse effect upon the LLP; or

- 27.1.7. absents himself or herself from the LLP without Proper Cause and without the consent of the **second variant #1** for more than **Absent without consent** months in any period of 12 months;
- 27.2. Any Member may be expelled by the other Members if acting in good faith they decide that it is in the best interests of the LLP to do so (regardless of the fact that the Member may not be in breach of any provision of this Agreement) and they serve written notice of expulsion upon that Member taking effect either forthwith or upon such future date as they may specify in the notice.

## **28.Outgoing Member's share**

- 28.1. The provisions of Schedule 5 apply in relation to an Outgoing Member.

## **29.Winding up of the LLP**

- 29.1. For the avoidance of doubt no Member has agreed with the other Members or with the LLP that he shall in the event of the winding up of the LLP contribute in any way to the assets of the LLP within the meaning of section 14 of the Limited Liability Partnerships Act 2000 or any other Act applied by Regulations made thereunder.
- 29.2. In the event of the winding up of the LLP, any surplus of assets of the LLP over its liabilities remaining at the conclusion of the winding up after payment of all money due to the creditors of the LLP and all expenses of the winding up shall be payable by the liquidator to the Members in the Agreed Proportions..

## **30.Cessation provisions**

- 30.1. The provisions of Schedule 6 shall apply on a Cessation Date.

## **31.Governing law and jurisdiction**

- 31.1. This Agreement and any disputes or claims arising out of or in connection with its subject matter are governed by and construed in accordance with the law of .
- 31.2. The Members irrevocably agree that the courts of have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Agreement.

## **32.Severability of clauses**

- 32.1. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of this agreement and any invalid or unenforceable provision will be severable.

## **33.Notices**

- 33.1. Any notice herein referred to shall be in writing and shall be sufficiently given to or served on the person to whom it is addressed if it is handed to that person or is delivered to or sent in a prepaid first class letter addressed to that person's last known residential address and shall be deemed to have been delivered in the ordinary course of post.
- 33.2. For the purposes of this Agreement, any notice shall be deemed to have been given to the executors or personal representatives of a deceased Member notwithstanding that no relevant grant of representation has been made if the notice is addressed to the deceased Member by name or to that Member's executors or personal representatives by title and is sent by prepaid first class letter to the residential address of the deceased at the time of death.

# Schedule 1

## Definitions and Interpretation

### General definitions

'Accountants' means the Initial Accountants, their replacement or any additional accountants appointed by the Members to manage the Accounts of the LLP.

'Accounts' means the balance sheet and profit and loss account as prepared by the Accountants at the end of each Accounting Period in accordance with clause 9.6

'Accounts Date' means \_\_\_\_\_ in each year or such other date as may be determined in accordance with the provisions hereof as the date upon which an Accounting Period is to end.

'Accounting Period' means the period for which the Members may determine that the Accounts of the LLP are to be made up.

'the Act' means the Limited Liability Partnerships Act 2000.

'Agreement' means this agreement.

'Bank' means the Initial Bank or such other bank as may from time to time be appointed as the lead bank of the LLP.

'Business' means **Nature of business/practice** carried on by the LLP using the name of **Partnership name**.

'Capital Accounts' are accounts showing the balances of the Capital that belongs to each Member as calculated in accordance with clause 11

'Capital' means all the Property and all other assets vested in the LLP or held in trust for the LLP.

'Cessation Date' is a date on which an Outgoing Member ceases, or is deemed under this Agreement to cease, to be a Member.

'Cessation Provisions' are the provisions that shall apply on a Cessation Date.

'Commencement Date' is the date from which the terms of this Agreement shall govern the Members as specified in clause 5

'Continuing Members' means the individuals that continue in their role as Members when one or more Member leaves the LLP.

'Contribution' means the amounts of money contributed by any Member into the bank accounts of the LLP by way of addition to his or her Capital Accounts or the value of any assets transferred by them to the LLP.

'Current Accounts' means accounts in respect of each of the Members to be kept in accordance with clause 12

'Defaulting Member' means a Member who is being expelled from the LLP under clause 27

'Designated Member' has the meaning set out in section 18 of the Limited Liability Partnerships Act 2000

'Drawings' means sums drawn by any Member on account of any anticipated profits of the LLP and any other sums paid or the monetary equivalent of any assets applied for his personal benefit by the LLP (other than for any such expenses as shall be specified in this Agreement as being a general expense of the LLP).

'Former Member' means an individual who has ceased to be a Member.

'Holiday Leave' means leave to be taken in accordance with clause 21

'Initial Accountants' means **Name** of **Address of accountant**.

'Initial Bank' is **Name of bank** Bank plc of **Address of bank**.

'Intellectual Property' means all intellectual and industrial property rights anywhere in the world including, without limitation, any patent, copyright, trade or service mark, trade name, design, design right, database right, typography right and any other right of a similar nature (whether or not capable of protection by registration) and the right to apply for any of them.

'Name' is the trading or practising name of **Partnership name** or any additional name adopted for the trade or practice of the LLP.

'Outgoing Member' means a Member who ceases to be a member of the LLP for any reason.

'Member(s)' means an individual Member or all of the individuals listed in Schedule 2 as the context shall require.

'LLP Funds' are the total sum of the Members' Capital Accounts and Current Accounts.

'LLP' means the LLP carried on by the Members under this Agreement as varied by any supplemental written agreement.

'Premises' means the property or properties to be occupied by the LLP for the purpose of the Business as identified in Schedule 4 and/or any additional or substituted property so occupied by the LLP.

'Proper Cause' means acting in accordance with the provisions, duties, rights and entitlements that are provided for within the terms of this Agreement.

'Property' means the Premises and all items used for the purposes of the Business (or rights in them as appropriate) including all Intellectual Property and computers and associated equipment and all office equipment, furniture and other property and equipment.

'Public Holidays' means the normal bank and public holidays of .

'Registered Office' means the address notified by the Designated Members to the Registrar of Companies as the registered office of the LLP

'Repayment' means the amount of money repaid to any Members from the bank accounts of the LLP by way of reduction of their Capital Accounts or the value of any assets transferred to them by the LLP.

'Revaluation Amount' means the aggregate amount by which any Revaluation of any asset or group of assets may be greater or less than the value of that asset or group of assets as shown in the Accounts for the last Accounts Date preceding the Revaluation.

'Revaluation' means a valuation required by the LLP in accordance with clause 13.1.2 of this Agreement.

'Tax' means any income tax, capital gains tax or national insurance contributions payable by any Member in respect of his or her status as a Member or his or her share of the profits of the LLP or the proceeds from the disposal of any of the assets of the LLP.

'Termination Accounts' means the accounts calculated in accordance with Schedule 5.

## **Schedule 2**

### **Member details**

### **Designated Members**

The following Members will be the initial Designated Members:

## Schedule 3

### Financial provisions

Name of Member	The total value of the Member's initial contribution towards LLP Capital	Description of Capital	Amount and date of any loan to the LLP	Monthly entitlement to Drawings
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## Schedule 4

### LLP Premises Details

Address of Premises	Legal entitlement of the LLP to occupy the Premises
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## **Schedule 5**

### **Supplemental provisions relating to an Outgoing Member**

#### **1. Accounts to be prepared**

- 1.1. Where a Member dies or ceases to be a Member for any other reason, a balance sheet as at the Cessation Date and a profit and loss account for the period between the last Accounts Date and the Cessation Date (together the 'Termination Accounts') shall be prepared by the Accountants as soon as practicable.

#### **2. Value of debtors and work-in-progress**

- 2.1. In preparing the Termination Accounts the Accountants shall value all work-in-progress at the Cessation Date and provide for bad or doubtful debts, in accordance with the previous practice of the LLP.

#### **3. Outgoing Member's payments**

- 3.1.1. Any undrawn balance of the Outgoing Member's share of the profits of the LLP as at the Cessation Date as shown by the Termination Accounts but after making provision for his or her share of the Tax on those profits.
- 3.1.2. The amount shown standing to the credit of the Outgoing Member's Capital Account in the Termination Accounts, after crediting or debiting (as case may be) any Revaluation Amount.
- 3.2. Each instalment payable under paragraph 3 shall bear interest until paid at a rate of **Interest of payment** above the Bank of England's base rate, calculated from the date of completion of the Termination Accounts until the date of actual payment.

## **Schedule 6**

### **Cessation provisions**

#### **1. Debts and liabilities**

- 1.1. The Continuing Members shall pay and discharge, and indemnify the Outgoing Member against, all debts and liabilities of the LLP, and all costs, claims and liabilities arising from them, as at the Cessation Date, other than:
  - 1.1.1. a debt or liability in respect of Tax attributable to the Outgoing Member's share of the profits of the LLP; and
  - 1.1.2. a debt or liability which arises;
  - 1.1.3. in the case of a Member retiring from the LLP within a period of 6 months from the Cessation Date; or
  - 1.1.4. in the case of a Member expelled under the provisions of clauses 27.1 at any time after the Cessation Date;
  - 1.1.5. from any fraudulent act of the Outgoing Member or from any negligent act or omission of the Outgoing Member prior to the Cessation Date in so far as the same is not covered by insurance.
- 1.2. The Continuing Members shall at all times during the continuance of the LLP maintain and pay all necessary premiums for professional indemnity insurance on terms as to cover not less favourable than those existing at the Cessation Date.

#### **2. Advertisement of retirement or change in LLP**

- 2.1. If the Outgoing Member is living, due notice of his or her retirement from the LLP shall be given in the Gazette and as far as may be reasonably practicable by circular letter to all persons, firms and companies with whom the LLP currently has dealings or has had dealings within the previous 12 months. For this purpose the Outgoing Member and the Continuing Members shall each sign all necessary documents and, if any of them refuses or neglects to sign, any of the others of them may sign on behalf of and in the name of the Member who has refused or neglected to sign..

#### **3. Books of account and other documents**

- 3.1. The Outgoing Member shall deliver to the Continuing Members all books of account, records, letters and other documents in his or her possession relating to the LLP Business. During the period of 18 months following his or her retirement, the Outgoing Member or his or her duly authorised agent shall be permitted to inspect by appointment the books of account, records, letters and other documents of the LLP Business in so far as they relate to any period ending on or before the Cessation Date but he or she may not remove any of them from the Premises of the LLP.

#### **4. Power to get in assets and further assurance**

- 4.1. The Outgoing Member shall sign and execute all such documents and deeds and perform all such acts and things as the Continuing Members reasonably request for the purpose of enabling them to recover the outstanding assets of the LLP or for the purpose of transferring to the Continuing Members any LLP Property which, on the Cessation Date, was vested in the Outgoing Member as nominee or in trust for the LLP.

## Schedule 7

### Standard Proxy Form

#### FORM TO VOTE BY PROXY

Please complete all sections of this form and make sure that it is submitted to the chairman Hours notice hours before the meeting.

#### 1. Applicant's details

Full name: \_\_\_\_\_

Contact telephone number: \_\_\_\_\_

Reason for the applicant's absence: \_\_\_\_\_

#### 2. Proxy vote details

<b>Date of meeting</b> [Enter date of meeting that you will miss]	<b>Resolution</b> [Insert the issue for resolution]	<b>Name of Proxy</b>	<b>For</b> [Mark your selected vote by using an 'x']	<b>Against</b>	<b>Withheld</b>

#### 3. Applicant's declaration

I confirm that the details on this form are true and accurate. I have asked the person named above who is willing and able to vote for me as my proxy.

Signed: \_\_\_\_\_