

BUSINESS PARTNERSHIP AGREEMENT

This Business Partnership Agreement ("Agreement") is made and entered into as of 19 December 2025

BY AND BETWEEN: **Partner 1:** John Michael Smith, residing at 123 Main Street Springfield, IL 62701;

AND: **Partner 2:** Sarah Elizabeth Johnson, residing at 456 Oak Avenue Springfield, IL 62702, collectively referred to as the "Partners" and individually as a "Partner."

1. Partnership Formation

The Partners agree to form a general partnership ("Partnership") under the name Smith & Johnson Consulting, ABC Marketing Partners for the purpose of conducting providing marketing consulting services to small businesses, operating a retail clothing store, developing mobile applications in accordance with the laws of the State of Texas.

2. Business Purpose

The Partnership shall engage in providing marketing consulting services to small businesses, operating a retail clothing store, developing mobile applications and any other lawful activities agreed upon by the Partners.

3. Term

This Agreement shall commence on 19 December 2025 and shall continue until terminated as provided herein.

4. Capital Contributions

Each Partner shall contribute the following capital:

- **Partner 1, John Michael Smith:** \$25000 in services.
- **Partner 2, Sarah Elizabeth Johnson:** \$25000 in property.

Additional contributions may be required upon unanimous agreement.

5. Profit and Loss Allocation

Profits and losses shall be divided equally (50/50) among the Partners unless otherwise agreed in writing.

6. Management and Decision-Making

- All business decisions shall be made by majority vote.
- Each Partner shall have equal authority unless specified otherwise.

7. Bank Accounts & Financial Management

The Partnership shall maintain a business bank account at Wells Fargo and all Partnership funds shall be deposited therein. Any withdrawals over \$500 require the approval of both Partners.

8. Salaries and Distributions

The Partners may draw a salary or distributions as agreed upon. No Partner shall withdraw more than their share of profits unless approved by all Partners.

9. New Partners & Transfers

Admission of new Partners requires majority consent. No Partner may transfer their interest without the written approval of all other Partners.

10. Dissolution & Exit Strategy

The Partnership shall dissolve upon: a) Mutual agreement of the Partners, b) Death, bankruptcy, or incapacity of a Partner (unless the remaining Partners agree to continue), c) Any event making the business unlawful.

Upon dissolution, all debts shall be paid, and remaining assets distributed proportionally.

11. Dispute Resolution

Any disputes shall first be resolved through mediation. If unresolved, disputes shall be settled via binding arbitration in Chicago.

12. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

13. Miscellaneous Provisions

- This Agreement represents the entire agreement between the Partners.
- Amendments must be in writing and signed by all Partners.
- If any provision is found unenforceable, the remaining provisions shall remain valid.

SIGNATURES

Partner 1

Signature: John Michael Smith

Name: **John Michael Smith**

Date: 19 December 2025

Partner 2

Signature: **Sarah Elizabeth Johnson**

Name: **Sarah Elizabeth Johnson**

Date: 19 December 2025