

**PARTNERSHIP AGREEMENT**

**PARTNERSHIP**

**STATE OF** \_\_\_\_\_  
**COUNTY OF** \_\_\_\_\_

This Partnership Agreement (the "Agreement") is made and entered into on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the "Execution Date") by and between the following Parties:

\_\_\_\_\_, located at the following address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

and

\_\_\_\_\_, located at the following address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**BACKGROUND**

- A. The Partners wish to associate themselves as partners in business.
- B. This Agreement sets out the terms and conditions that govern the Partners within the Partnership.

**IN CONSIDERATION OF** and as a condition of the Partners entering into this Agreement and other valuable consideration, the receipt and sufficiency of which consideration is acknowledged, the Parties to this Agreement agree to the following:

**ARTICLE I**  
**Formation**

By this Agreement, the Partners enter into a general partnership (the "Partnership") in accordance with the laws of the State of \_\_\_\_\_. The rights and obligations of the Partners will be stated in the Uniform Partnership Act of the State of \_\_\_\_\_ (the "Act") except as otherwise provided in this Agreement.

**ARTICLE II**  
**Name**

The name of the partnership shall be the \_\_\_\_\_ partnership.

**ARTICLE III**  
**Purpose**

The purpose of the Partnership will be the following:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**ARTICLE IV  
Term**

The partnership's existence shall commence on \_\_\_\_\_ and it shall continue until dissolved either by mutual agreement or by operation of law.

**ARTICLE V  
Place of Business**

The principal office of the business of the Partnership will be located at the following address or other such place as the Partners may from time to time designate:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**ARTICLE VI  
Capital Contributions**

The initial partnership capital shall be \$\_\_\_\_\_ (\_\_\_\_\_ dollars). Each of the Partners has contributed to the capital of the Partnership, in cash, property, or services in agreed upon value, as follows (the "Capital Contribution"):

<b>Partner Name</b>	<b>Contribution</b>	<b>Contribution Value</b>
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____

All contributions will be submitted fully and on time, no later than \_\_\_\_\_.

All capital contributions are final unless all Partners give written consent of withdrawal.

**ARTICLE VII  
Interest**

The Partners' ownership interest in the Partnership will be as follows:

<b>Partner Name</b>	<b>Ownership Interest</b>
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %

**ARTICLE VIII  
Profit and Loss**

Each \_\_\_\_\_ the partners shall determine the net profit and loss of the partnership and the same shall be divided in the same proportion as contributions to capital. The partners,

may by majority vote, agree to distribute any surplus or may allocate surplus to the capital account of each partner. No interest shall be paid on capital contributions. No partner shall have the right to demand repayment of their capital contribution unless the same is through a dissolution of the partnership and a winding up of its affairs.

The partners shall be entitled to withdraw the following sums from the partnership:

\_\_\_\_\_ on a \_\_\_\_\_ basis.

Any and all withdrawals made shall be deducted from any profits of the partnership.

### **ARTICLE IX Voting**

The affairs of the partnership shall determined by majority vote, with votes cast in the same percentage as capital contributions.

### **ARTICLE X Accounting**

Books of account of the transactions of the partnership shall be kept at the principal place of business of the partnership. The books of account of the partnership shall be available for inspection by all times by the partners. Each partner shall be required to report all transactions related to partnership business promptly and accurately.

### **ARTICLE XI New Partners**

The Partnership will amend this agreement to include new partners upon the written and unanimous vote of all Partners.

The name of the Partnership may be amended if a new Partner is added to the Partnership upon the written and unanimous vote of all Partners.

### **ARTICLE XII Management & Authority**

Each partner shall have the right to manage the affairs of the partnership in the ordinary course of the partnership's business. However, no partner shall have the authority to:

- a) confess judgment against the partnership;
- b) borrow on the credit of the partnership or guarantee the debts of others with partnership credit except for transactions under \$ \_\_\_\_\_ ( \_\_\_\_\_ dollars) within the ordinary course of business of the partnership;
- c) convey substantially all of the partnership assets without prior approval by majority vote.

The day to day affairs of the partnership shall be managed by a management committee, which shall consist of \_\_\_\_\_ partners, elected by a majority of the partners. The management committee shall conduct the business of the partnership, and shall have the authority by its majority vote to operate all of the business of the partnership, save those items specifically reserved to the partners as a whole.

**ARTICLE XIII  
Termination**

This partnership shall terminate upon the death, bankruptcy or incompetency of any partner. Thereupon the remaining partners shall act as trustees for the partners and shall promptly wind up the affairs of the partnership unless the remaining partners agree that they will continue the business of the partnership.

**ARTICLE XIV  
Dispute Resolution**

The parties will attempt to resolve any dispute arising out of or relating to the Partnership or this Agreement through friendly negotiations amongst the parties. If the matter is not resolved by negotiation, the parties will resolve the dispute using the below Alternative Dispute Resolution (ADR) procedure.

Any controversies or disputes arising out of or relating to the Partnership or this Agreement will be submitted to mediation in accordance with any statutory rules of mediation in the state of \_\_\_\_\_ . If mediation does not successfully resolve the dispute or is unavailable, the parties may proceed to seek an alternative form of resolution in accordance with any other rights and remedies afforded to them by law.

**IN WITNESS WHEREOF**, this Agreement has been executed and delivered in the manner prescribed by law as of the Effective Date first written above.

Date: \_\_\_\_\_

Signature:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date

Signature:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date

Signature:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date

Witnesses:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_