

**BUSINESS PARTNERSHIP AGREEMENT**

This Business Partnership Agreement (“Agreement”), dated on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the “Effective Date”) is entered into by and between the following Partners (collectively referred to as the “Partners”):

**Name: Name:**

\_\_\_\_\_

**Located at: Located at:**

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

**WHEREAS**, the above-named Partners wish to associate themselves as Partners in a business enterprise (hereinafter referred to as the “Partnership”) as set forth in this Agreement; and

**WHEREAS**, the Partners acknowledge that they have read and understood all of the terms and conditions herein and agree to be bound by the same; and

**WHEREAS**, this Partnership Agreement shall remain in effect and full force unless otherwise terminated or dissolved in accordance with the terms set forth herein or by operation of law;

**NOW, THEREFORE**, in consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

**Name.**

The Partnership formed under this Agreement shall be known as \_\_\_\_\_. The business of this Partnership shall be constructed under this name, or other name as mutually agreed upon by the Partners.

**The Partnership.**

The Partnership’s principal place of business shall be:

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

The records and books of this Partnership shall be kept at the above location. However, subsidiary or additional places of business may be created at other locations and may be agreed upon by the mutual

consent of the Partners.

The Partnership is created in accordance with the applicable laws in the State of \_\_\_\_\_.  
This Agreement shall be governed under the laws of the State of \_\_\_\_\_.

The primary purpose of this Partnership is:

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If applicable, the Partners agree to obtain any required licenses and permits necessary to do business, register its Doing Business as Name (“DBA”), and acquire a Federal Employer Identification Number (“EIN”).

**Initial Contributions.**

The Partners agree to make an initial contribution to the Partnership as follows:

<b>Partner Name</b>	<b>Contribution</b>

\_\_\_\_\_ made in full on or before \_\_\_\_\_. All Contributions shall be considered final and shall not be subject to withdrawal unless expressly agreed upon by all Partners. All Contributions shall be deposited into a joint capital account.

**Ownership Interest and Authority.**

The Partners’ ownership interest in this Partnership shall be as follows:

<b>Partner Name</b>	<b>Ownership Percentage (%)</b>

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nership, whether real, personal, tangible, or intangible shall be considered to be owned by the Partnership as an entity. Neither Partner shall have direct ownership of any such Partnership property.

The Partners' authority to make decisions on behalf of the Partnership shall be defined as stated below:

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**Costs.**

The Partners shall share the costs according to the below percentages:

<b>Partner Name Costs (%)</b>

**Profits and Losses.**

The Partners agree that the Partnerships finances and applicable assets shall be audited on the following basis: \_\_\_\_\_.

The Partnership's accounting will be conducted on a \_\_\_\_\_ and the Partner in charge of the Partnership's accounting of all profits and losses will be \_\_\_\_\_.

While auditing the Partnership's finances and relevant assets, the net profit and loss of the Partnership subject to this Agreement shall be divided in the same manner or proportion as the Partner's respective Capital Contributions and after the costs of the Partnership have been satisfied according to the above

listed cost percentages.

The Partners may decide to allocate or distribute such profits to the Partnership. If approved, the distributions shall be made on the \_\_\_\_\_ day of each month.

**Accounting.** All accounts related to the Partnership subject to this Agreement, including contribution and distribution accounts will be audited. Each Partner will sustain a joint contribution account. The Partners agree to keep accurate and complete books for any and all accounts related to the Partnership. Any Partner, majority or minority, will be entitled to review all books at any time upon request.

Each Partner understands that he or she will be responsible for his or her own taxes on any distributions made.

The Partners shall provide their report on the status of the Partnership within two (2) weeks of the end of the fiscal year. The fiscal year and the taxable year of the Partnership is the calendar year.

The below listed Partner(s) have the authority to execute checks from any joint Partner Account:

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**Voting.** Unless otherwise specified in this Agreement, any affairs of the Partnership will be determined by majority vote. Votes are to be cast in the same percentage as Capital Contributions unless otherwise agreed upon by the Partners.

**Salary.** Partners must agree to and provide unanimous consent should a permanent salary is to be established. Moreover, unanimous consent by the Partners is also required for the amount of the salary provided to each Partner.

**New Partners.** The Partnership shall amend this Agreement to include any new Partners upon the express and unanimous vote of all Partners. The name of the Partnership can be amended if a new Partner is added to the Partnership upon the express and unanimous vote of all Partners.

**Death or Withdrawal.** The Partners reserve the right to withdrawal from the Partnership at any given time. Upon the withdrawal of a Partner by choice or by death, the remaining Partners shall have the option to buy out the remaining shares of the Partnership.

If the Partners decide to buy out the shares, the shares shall be brought in equal amounts by all Partners under the Partnership. The Partners understand and agree to retain an outside firm to evaluate the value of the remaining shares. Moreover, the Partners must come to a unanimous agreement that the outside firm's overall valuation of the share to be considered final.

The Partners shall have \_\_\_ days to determine whether they wish to buy the remaining shares together and equally dispense the same. However, if the Partners do not agree to buy the shares, individual Partners shall have the right to buy the shares individually. If more than one Partner wishes to acquire the remaining shares, the shares shall be equally divided among the requesting Partners. In the event that all Partners, by unanimous vote, the Partnership can choose to allow a non-Partner to buy the shares effectively replacing the previous Partner.

In the event that no individual Partner(s) proceed to finalize a purchase agreement within \_\_\_\_ days, the Partnership will be dissolved. The name of the Partnership can be amended upon an express and unanimous vote of all Partners if a Partner is effectively bought out.

**Dissolution.** In the event the Partnership is dissolved by majority vote, the Partnership shall be liquidated, and the debts shall be paid. Any remaining funds after all of the debts have been paid shall be distributed based on the percentage of ownership interest as defined in this Agreement.

**Dispute Resolution.** Parties to this Agreement shall first attempt to settle any dispute through good-faith negotiation. If the dispute cannot be settled between the parties via negotiation, either Party may initiate mediation or binding arbitration in the State of \_\_\_\_\_.

If the Parties do not wish to mediate or arbitrate the dispute and litigation is necessary, this Agreement will be interpreted based on the laws of the State of \_\_\_\_\_, without regard to the conflict of law provisions of such state. The Parties agree the dispute will be resolved in a court of competent jurisdiction in the State of \_\_\_\_\_.

**Legal Fees.** In the event of any suit or action to enforce or interpret any provision of this Agreement (or that is based on this Agreement), the prevailing party is entitled to recover, in addition to other costs, reasonable attorney fees in connection with the suit, action, or arbitration, and in any appeals. The determination of who is the prevailing party and the amount of reasonable attorney fees to be paid to the prevailing party will be decided by the court or courts, including any appellate courts, in which the matter is tried, heard, or decided.

**Amendments.** Amendments to this Agreement may be proposed by any Partner. A proposed amendment will be adopted and become effective as an amendment only on the written approval of all of the Partners.

**Further Effect.** The parties agree to execute other documents reasonably necessary to further effect and evidence the terms of this Agreement, as long as the terms and provisions of the other documents are fully consistent with the terms of this Agreement.

**Severability.** If any term or provision of this Agreement is held to be void or unenforceable, that term or provision will be severed from this Agreement, the balance of the Agreement will survive, and the balance of this Agreement will be reasonably construed to carry out the intent of the parties as evidenced by the terms of this Agreement.

**Notices.** All notices required to be given by this Agreement will be in writing and will be effective when actually delivered or, if mailed, when deposited as certified mail, postage prepaid, directed to the addresses first shown above for each Partner or to such other address as a Partner may specify by notice given in conformance with these provisions to the other Partners.

**Captions for Convenience.** All captions herein are for convenience or reference only and do not constitute part of this Agreement and shall not be deemed to limit or otherwise affect any of the provisions hereof.

**Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

**Electronic Signatures.** This Agreement and related documents entered into in connection with this Agreement are signed when a party's signature is delivered electronically, and these signatures must be treated in all respects as having the same force and effect as original signatures.

**Entire Agreement; Modification.** This Agreement constitutes the entire understanding and agreement between the Partners with respect to the subject matter of this Agreement. No agreements, understandings, restrictions, representations, or warranties exist between or among the members other than those in this Agreement or referred to or provided for in this Agreement. No modification or amendment of any provision of this Agreement will be binding on any Partner unless in writing and signed by all the Partners.

*[Signatures on Following Page]*

IN WITNESS WHEREOF, the undersigned have executed this Business Partnership Agreement effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the "*Effective Date*").

Dated: \_\_\_\_\_ Dated: \_\_\_\_\_

\_\_\_\_\_

Partner's Signature Partner's Signature

\_\_\_\_\_

Partner's Printed Name Partner's Printed Name

**Partner's Contact Information: Partner's Contact Information: Address:**

\_\_\_\_\_ Address: \_\_\_\_\_ Phone Number:

\_\_\_\_\_ Phone Number: \_\_\_\_\_ Email Address:

\_\_\_\_\_ Email Address: \_\_\_\_\_