

PARTNERSHIP AGREEMENT

This Partnership Agreement is entered into this _____ day of _____,
_____, by and between the following partners: _____,
_____ who agree as follows:

1. **Name of Partnership.** The name of the partnership shall be: _____.
The name under which the partnership shall conduct business shall be: _____.

2. **Principal Place of Business.** The partnership's principal place of business shall be: _____.

3. **Purpose of Partnership.** The purposes of the partnership are: _____.

In addition to the specific purposes set forth above, the purpose of the partnership is also to conduct any lawful business in which the partners, from time to time, may agree to become engaged.

4. **Term of Partnership.** The partnership shall become effective as of the date of this agreement, and shall continue until it is dissolved by all the partners, or until a partner leaves for any reason including incapacity or death, or until otherwise dissolved by law.

5. **Contributions of Partners.** Each partner shall make an initial cash contribution to the partnership in the amount of \$_____.

6. **Profits and Losses/Ownership Interests.** The partners shall share equally in the profits and losses of the partnership.

7. **Voting Rights.** All partnership decisions must be made by the unanimous agreement of the partners. All matters not referred to in this agreement shall be determined according to this paragraph.

8. **Transfer of a Partnership Interest.**

A. **Option of Partnership to Purchase/Right of First Refusal.** In the event any partner leaves the partnership; for whatever reason, including voluntary withdrawal or retirement, incapacity, or death; the remaining partners shall have the option to purchase said partner's interest from said partner or his or

her estate. In the event any partner receives, and is willing to accept, an offer from a person who is not a partner to purchase all his or her interest in the partnership, he or she shall notify the other partners of the identity of the proposed buyer, the amount and terms of the offer, and of his or her willingness to accept the offer. The other partners shall then have the option, within thirty days after notice is given, to purchase that partner's interest in the partnership name on the same terms as those of the offer of the person who is not a partner, to put the business up for sale, or to dissolve the partnership.

- B. **Valuation of Partnership.** In the event the remaining partners exercise the right to purchase the other's interest as provided above, the value of the partnership shall be the net worth of the partnership as of the date of such purchase. Net worth shall be determined by the market value of the following assets: all of the partnership's real and personal property, liquid assets, accounts receivable, earned but unbilled fees, and money earned for work in progress; less the total amount of all debts owed by the partnership.
- C. **Payment Upon Buy-Out.** In the event the remaining partners exercise the right to purchase the other's interest as provided above, the remaining partners shall pay the departing partner for his or her interest by way of a promissory note of the partnership, dated as of the date of purchase, which shall mature in not more than _____ years, and shall bear interest at the rate of _____% per annum. The first payment shall be made _____ days after the date of the promissory note.
9. **Governing Law.** This agreement shall be governed by the laws of _____.
10. **Severability.** If any part of this agreement is adjudged invalid, illegal, or unenforceable, the remaining parts shall not be affected and shall remain in full force and effect.
11. **Binding Agreement/No Other Beneficiary.** This agreement shall be binding upon the parties, and upon their heirs, executors, personal representatives, administrators, and assigns. No person shall have a right or cause of action arising or resulting from this agreement except those who are parties to it and their successors in interest.
12. **Entire Agreement.** This instrument, including any attached exhibits, constitutes the entire agreement of the parties. No representations or promises have been made except those that are set out in this agreement. This agreement may not be modified except in writing signed by the parties.

13. **Paragraph Headings.** The headings of the paragraphs contained in this agreement are for convenience only, and are not to be considered a part of this agreement or used in determining its content or context.

Signature

Signature

Signature

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