

## 8-Partnership Agreement:

### Partnership Agreement

**Effective Date:** [Date]

**Between:**

- **Partner 1:** [Full Name], residing at [Address]
- **Partner 2:** [Full Name], residing at [Address]
- **Partner 3:** [Full Name], residing at [Address] *(Add additional partners as needed)*

Collectively referred to as the "Partners."

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#### 1. Formation of Partnership

The Partners agree to form a partnership ("Partnership") under the name of [Partnership Name], for the purpose of [Describe the nature of the business], in accordance with the laws of the State of [State].

#### 2. Purpose of Partnership

The purpose of the Partnership is to engage in the business of [Detailed description of the business activities], and any other lawful business activities agreed upon by the Partners.

#### 3. Term

The Partnership shall commence on the Effective Date and continue until terminated as provided in this Agreement.

#### 4. Capital Contributions

- **a. Initial Contributions:** Each Partner shall make an initial capital contribution as follows:
  - Partner 1: [Amount or Description of Contribution]
  - Partner 2: [Amount or Description of Contribution]
  - Partner 3: [Amount or Description of Contribution]
- **b. Additional Contributions:** Additional capital contributions may be required as agreed upon unanimously by the Partners.

#### 5. Profit and Loss Allocation

- **a. Profit Sharing:** Profits of the Partnership shall be distributed among the Partners in proportion to their capital contributions or as follows:
  - Partner 1: [Percentage]%

- Partner 2: [Percentage]%
  - Partner 3: [Percentage]%
- **b. Loss Sharing:** Losses shall be borne by the Partners in the same proportions as profits.

## 6. Management and Decision-Making

- **a. Management Structure:** All Partners shall participate equally in the management and operation of the Partnership unless otherwise agreed.
- **b. Authority:** Each Partner has the authority to bind the Partnership in matters within the ordinary course of business.
- **c. Major Decisions:** Decisions on significant matters (e.g., acquiring assets over a certain value, admitting new partners) require unanimous consent or a majority vote of the Partners holding [Percentage]% of the ownership interests.

## 7. Duties and Responsibilities of Partners

- **a. Time Commitment:** Partners shall devote such time and effort as reasonably necessary for the conduct of the Partnership's business.
- **b. Fiduciary Duty:** Partners owe a duty of loyalty and care to the Partnership and must act in its best interest.

## 8. Compensation

Partners shall not receive a salary for their services to the Partnership but shall be entitled to distributions of profits as outlined in Section 5.

## 9. Accounting and Records

- **a. Books of Account:** Accurate and complete books of account shall be kept at the principal place of business.
- **b. Fiscal Year:** The Partnership's fiscal year shall end on [Date].
- **c. Reports:** Financial statements and reports shall be provided to each Partner [Frequency, e.g., quarterly].

## 10. Banking

All funds of the Partnership shall be deposited in an account in the name of the Partnership at [Bank Name]. Authorized signatories shall be [Names of authorized Partners].

## 11. Distributions

Distributions of profits shall be made at such times and in such amounts as agreed upon by the Partners, after allowing for necessary reserves and working capital.

## 12. Withdrawal of Partner

- **a. Voluntary Withdrawal:** A Partner may withdraw from the Partnership by giving [Number] days' written notice. The withdrawing Partner's interest shall be valued and paid out as per Section 14.
- **b. Involuntary Withdrawal:** A Partner may be expelled for cause (e.g., breach of agreement, misconduct) by unanimous consent of the other Partners.

### 13. Dissolution

The Partnership shall be dissolved upon:

- The mutual agreement of all Partners.
- The withdrawal, death, or incapacity of a Partner, unless the remaining Partners agree to continue the Partnership.
- An event making the Partnership's business unlawful.

### 14. Valuation and Buyout

- **a. Valuation Method:** The value of a Partner's interest shall be determined by [Method of valuation, e.g., book value, appraisal].
- **b. Buyout Terms:** The remaining Partners have the option to purchase the withdrawing Partner's interest under terms mutually agreed upon.

### 15. Restrictive Covenants

- **a. Non-Compete:** Partners agree not to engage in any business that competes with the Partnership during the term and for [Number] years after withdrawal or dissolution within [Geographic Area].
- **b. Non-Solicitation:** Partners shall not solicit clients or employees of the Partnership for [Number] years after withdrawal or dissolution.

### 16. Confidentiality

Partners agree to keep confidential all proprietary information of the Partnership and not to disclose it to third parties without consent.

### 17. Dispute Resolution

- **a. Mediation:** In the event of a dispute, the Partners agree to first attempt to resolve it through mediation.
- **b. Arbitration:** If mediation fails, disputes shall be settled by binding arbitration in accordance with the rules of [Arbitration Organization].

### 18. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of [State], without regard to its conflict of law principles.

## 19. Notices

All notices under this Agreement shall be in writing and delivered to the Partners at their respective addresses provided above, either personally, by certified mail, or by email to [Email Addresses, if applicable].

## 20. Amendments

Any amendments to this Agreement must be made in writing and signed by all Partners.

## 21. Severability

If any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

## 22. Entire Agreement

This Agreement constitutes the entire understanding among the Partners and supersedes all prior agreements, discussions, and understandings.

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**IN WITNESS WHEREOF**, the Partners have executed this Partnership Agreement as of the Effective Date.

### Partner 1

Signature: \_\_\_\_\_

Name: [Partner 1's Full Name]

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

### Partner 2

Signature: \_\_\_\_\_

Name: [Partner 2's Full Name]

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

### Partner 3

Signature: \_\_\_\_\_

Name: [Partner 3's Full Name]

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

*(Add additional signature lines as needed)*