General Partnership Agreement**

_____, residing at _____
(name of partner) (address)
_____and_____.
(name of partner)
_____, residing at _____
(address)
_____, hereinafter referred to as the "Partners" agree as follows:

1. Type of Business.

The Partners voluntarily associate themselves together as general partners for the purpose of conducting the general business of _____, and any other type of business that may from time to time be agreed on by the Partners.
(type of business)

2. Name of Partnership.

The name of the Partnership shall be _____ _____. This name will be registered in the office of the Secretary of State as the fictitious name of the Partnership.
(name)

3. Term of Partnership.

The Partnership shall commence on_____
("the execution of this Agreement" or specify date)
and shall continue until _____ or terminated as provided in this Agreement.
(specify date or "dissolved by mutual agreement of the parties")

4. Place of Business.

The principal place of business of the Partnership shall be at _____,
(address)
_____, _____, _____
(city) (county) (state)
and any other place or places that may be mutually agreed on by the parties to this Agreement.

5. Initial Capital.

The initial capital of this Partnership shall be the sum of $_____ (amount), to which each Partner shall contribute by depositing in a checking account in the name of the Partnership at the _____ (bank) in _____ (city) _____ (state) on or before _____ (date), the following amounts:

_____ (name) shall contribute $ _____

_____ (name) shall contribute $ _____

6. Withdrawal of Capital.

No Partner shall withdraw any portion of the capital of the Partnership without the express written consent of the other Partners.

7. Profits and Losses.

Any net profits or losses that may accrue to the Partnership shall be distributed to or borne by the Partners.

_____

(in equal proportions or in the following proportions: _____ specify proportions. e.g. [name], 60%; [name], 40%)

_____

_____

8. Partnership Books.

At all times during the continuation of the Partnership, the Partners shall keep accurate books of account in which all matters relating to the Partnership, including all of its income, expenditures, assets, and liabilities, shall be entered. These books shall be kept on _____ (Accrual or Cash) basis and shall be open to examination by either Partner at any time.

9. Fiscal Year.

The fiscal year of the Partnership shall end on the _____ day of _____ (month) each year.

10. Accountings.

A complete accounting of the Partnership affairs as of the close of business on the last day of March, June, September, and December of each year shall be rendered to each Partner within _____ days after the close of each of those months. On each accounting, the net profits of
(Number)
the Partnership shall be distributed to the Partners as provided in this Agreement to the extent that cash is available for this distribution. Except as to manifest errors discovered within _____
(Number)
days after its rendition, each accounting shall be final and conclusive to each Partner.

11. Time Devoted to Partnership.

Each Partner shall devote his or her undivided time and attention and use the utmost of his or her skills and ability in furtherance of the Partnership business.

12. Management and Authority.

Each Partner shall have an equal voice in the management of the Partnership and shall have authority to bind the Partnership in making contracts and incurring obligations in the name and on the credit of the firm. However, no Partner shall incur any obligations in the name or on the credit of the firm exceeding $_____ without the express written consent of the other Partner. Any obligation incurred in violation of this provision shall be charged to and collected from the individual Partner incurring the obligation.

13. Salaries.

As compensation for his or her services in and to the Partnership business, each Partner shall be entitled to a salary of $_____ each month, which shall be deducted by the Partnership as an ordinary and necessary business expense before determination of net profits. The salary of any Partner may, however, be increased or reduced at any time by mutual agreement of all the Partners.

14. Net Profits Defined.

The term "net profits" as used in this Agreement shall mean the net profits of the Partnership as determined by generally accepted accounting principles for each accounting period provided for in this Agreement.

15. Withdrawal of Partner.

Any Partner may withdraw from the Partnership at the end of any accounting period by giving the other Partner _____ days, written notice of his or her intention to do so.
(Number)

16. Option to Purchase Terminated Interest.

On dissolution of the Partnership by the withdrawal or other act of a Partner, the remaining Partner, on written notice to the other Partner within _____ days of the dissolution,
(Number)
may continue the Partnership business by purchasing the interest of the other Partner in the assets and good will of the Partnership. The remaining Partner shall have the option to purchase the interest of the withdrawing Partner by paying to this Partner or the Partner's personal representative the value of the interest determined as provided in Paragraph 17 of this Agreement.

17. Purchase Price of Partnership Interest.

On exercise of the option described in Paragraph 16 above, the remaining Partner shall pay to the person who is legally entitled to it the net book value of the interest as shown on the last regular accounting of the Partnership preceding the dissolution together with the full unwithdrawn portion of the deceased, withdrawing, or terminated Partner's distributive share of any net profits earned by the Partnership between the date of the accounting and the date of dissolution of the Partnership.

18. Buy-Sell Agreement on Death of Partner.

If the Partnership is dissolved by the death of a Partner, the remaining Partner shall have the obligation within _____ days from the death of the deceased partner to purchase the
(Number)
interest of the deceased Partner in the Partnership and to pay to the personal representative of the deceased Partner the value of that interest as provided in Paragraph l7 of this Agreement. During

this _____-day period following the death of a Partner, the remaining Partner may
(Number)
continue the business of the Partnership but the estate or personal representative of the deceased Partner shall not be liable for any obligations incurred in the Partnership business that are greater than any amount includable in the estate of the deceased Partner that was previously invested or involved in the Partnership and remained so on the date of death. The estate of the deceased Partner shall be obligated to sell his or her Partnership interest as provided in this Agreement and shall be entitled, at the election of the personal representative of the deceased Partner, either to one-half of the net profits earned by the Partnership business during this _____-day period or to
(Number)
interest for the use during this period of the deceased's interest in the Partnership business at the rate of _____ percent a year on the value of the partnership interest determined as provided in Paragraph 17 of this Agreement.

19. Duties of Purchasing Partner.

On any purchase and sale pursuant to the provisions of Paragraphs 16, 17, or 18 of this Agreement, the remaining Partner shall assume all obligations and shall hold the withdrawing Partner, the personal representative and estate of a deceased Partner, and the property of any withdrawing or deceased Partner, free and harmless from all liability for these obligations. Furthermore, the remaining partner, at his or her own expense, shall immediately cause to be prepared, filed, served, and published all notices that may be required by law to protect the withdrawing Partner or the personal representative or estate of a deceased Partner from liability for the future obligations of the partnership business.

20. Dissolution.

On dissolution of the Partnership other than as provided in Paragraphs 16, 17, and 18 of this Agreement, the affairs of the Partnership shall be wound up, the assets of the Partnership liquidated, the debts paid, and the surplus divided equally among the Partners.

21. Notices.

All notices between the parties provided for or permitted under this Agreement or by law shall be in writing and shall be deemed duly served when personally delivered to a Partner or, instead of personal service, when deposited in the United States mail, as certified, with postage prepaid, and addressed to the partner at the address of the principal place of business of the Partnership or to another place that may from time to time be specified in a notice given pursuant to this paragraph as the address for service of notice on the Partner.

22. Consents and Agreement:

All consents and agreements provided for or permitted by this Agreement shall be in writing and a signed copy of them shall be filed and kept with the books of the Partnership.

23. Sole Agreement.

This instrument contains the sole agreement of the parties relating to their Partnership and correctly sets forth the rights, duties and obligations of each to the other in connection with is as of its date. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force or effect.

Executed this _____ day of _____ , 19_____

at _____ County_____(State).

_____
(Signature of Partner)

_____
(Signature of Partner)

** PLEASE NOTE: The above document is a sample document only and will require individual tailoring to the needs and purposes of each individual general partnership. Important considerations to incorporate in every partnership agreement include tax issues, sharing of profits based on contribution and a buy-out provision.