

PARTNERSHIP AGREEMENT CHECKLIST©

Two or more practitioners join together to create a separate legal entity (partnership) which will own some or all of the dental practice. The partnership, typically, has a single identity to the patients. Partners typically own percentage interests in the partnership.

1. **Form of Agreement**
 - a. Written - formal/informal
 - b. Oral
2. **Relationship of Parties**
 - a. Creation of separate entity
 - b. Joint and several liability
 - c. Combined practice
3. **Terms of Agreement**
 - a. Compensation
 - b. Benefits/Duties
4. **Taxes**
 - a. Partnership return
 - b. Partner - K-1
5. **Expenses**
 - a. Overhead/Supplies/Inventory
6. **Ownership Interest**
 - a. Right to take patients/records
 - b. Assets
7. **Income/Production -- Mechanics**
8. **Management Duties**
9. **Liability Considerations**
10. **Malpractice**
 - a. Insurance costs
 - b. Insurance -- cross-verification
 - c. Indemnification -- partnership to partners; partner to partner
11. **Lease**
12. **Termination/Dissolution/Death/Disability/Sale/Withdrawal**
13. **Covenant Not to Compete (valid/invalid) - Business and Professions Code Section 16602**
14. **Anti-Solicitation Clause (valid/invalid)**