

# PARTNERSHIP AGREEMENT

THIS AGREEMENT is made and entered into at \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between \_\_\_\_\_ (Name and Address) and \_\_\_\_\_ (Name and Address) (hereafter collectively referred to as the "Partners")

## WITNESSETH:

WHEREAS, \_\_\_\_\_ the \_\_\_\_\_ Partners intend \_\_\_\_\_ to \_\_\_\_\_

NOW THEREFORE, in consideration of the promises and mutual covenants made one to the other, be it and it is hereby agreed as follows:

**Formation:** The undersigned hereby form a General Partnership in accordance with and subject to the laws of the State of \_\_\_\_\_, and the By-Laws of the \_\_\_\_\_ (business type).

**Name:** The name of the partnership shall be \_\_\_\_\_(business type).

**Term:** The partnership shall begin on \_\_\_\_\_, 20XX and shall continue until 00/00/00 of the same year and thereafter from year to year unless earlier terminated as hereinafter provided.

**Purpose:** The only purpose of the partnership is to invest the assets of the partnership solely in stocks, bonds and other securities (securities) for the education and benefit of the partners.

**Meetings:** Periodic meetings shall be held as determined by the partnership.

**Capital Contributions:** The partners may make capital contributions to the partnership on the date of each periodic meeting in such amounts as the partnership shall determine, provided, however, that no partners capital account shall exceed twenty percent (20%) of the capital accounts of all the partners.

**Value of the Partnership:** The current value of the assets of the partnership less the current value of the liabilities of the partnership (hereinafter referred as to value of the partnership) shall be determined as of the time of securities market close on the last Friday of each month.

**Capital Accounts:** A capital account shall be maintained in the name of each partner. Any increase or decrease in the value of the partnership on any valuation date shall be credited or debited, respectively, to each partner's capital account in proportion to the sum of all partner capital accounts on that date. Any other method of valuating each partner's capital account may be substituted for this method, provided the substituted method results in exactly the same valuation as previously provided herein. Each partner's capital contribution to, or capital withdrawal from, the partnership, shall be credited, or debited, respectively, to that partners capital account.

**Management:** Each partner shall participate in the management and conduct of the affairs of the partnership in proportion to the value of his/her capital account. Except as otherwise determined, all decisions shall be made by the partners whose capital accounts total a majority of the value of the capital accounts of all the partners.

**Sharing of Profits and Losses:** Net profits and losses of the partnership shall inure to, and be borne by partners in proportion to the value of each of their capital accounts

**Books of Accounts:** Books of account of the transactions of the partnership shall be kept and at all times be available and open to inspection and examination by any partner.

**Annual Accounting:** Each calendar year, a full and complete account of the condition of the partnership shall be made to the partners.

**Bank Account:** The partnership may select a bank for the purpose of opening a bank account. Funds in the bank account shall be withdrawn by checks signed by any partner designated by the