

Suite 1004

JOINT VENTURE AGREEMENT

The following example is offered as a courtesy to provide you with a basic understanding of what is the minimal requirement for such a form. This is not intended to replace proper legal advice which we strongly advise.

This **JOINT VENTURE AGREEMENT** (“Agreement”) is made on _____
20_____ between _____
and _____.

RECITALS

The Joint Ventures have agreed to make contributions to a common fund for the purpose of acquiring and holding:

_____ called the business interest.

The Joint Ventures consider it advisable to acquire and to hold their business interest through a nominee so as to avoid the necessity of numerous separate agreements, to maintain the legal title to the business interest in a simple and practicable form, and to facilitate the collection and distribution of the profits accruing under the business interest, and _____ has agreed to act as nominee of the Joint Venture with the understanding that he is also acquiring a participating interest in this joint venture on his own account.

It is therefore agreed:

1. **Purpose.** The Joint Ventures form this joint venture to acquire and hold the business interest in common and to provide the finances required for its acquisition. To the extent set forth in this Agreement, each of the Joint Ventures shall own an undivided fractional part in the business. The Joint Ventures appoint as their agent _____, whose duty if shall be to hold each of the undivided fractional parts in the business interest for the benefit of, and as agent for, the respective Joint Ventures.
2. **Contributions.** The Agent acknowledges that he has received from each of the Joint Venturers, for the purpose of this joint venture, the sum set after the name of each Joint Venturer as follows:

NAME OF JOINT VENTURER

CONTRIBUTION

3. **Acquisition of Business Interest.** The Agent is authorized to acquire and to hold in his own name, but on behalf of the Joint Venturers (of which the Agent is one), the business interest, and to pay \$_____ for it as follows: \$_____ in

cash, and the balance of \$_____ by a note in that amount. The note shall bear interest at the rate of _____%, shall be due and payable on_____ (due date), with repayment privileges, and shall be secured by

_____ which the Agent is authorized to execute and deliver.

- 4. **Profits.** The Agent shall hold and distribute the business interest and shall receive the net profits as they accrue for the term of this Agreement or so long as the Joint Venturers are the owners in common of the business interest, for the benefit of the Joint Venturers as follows:

- | NAME OF JOINT VENTURER | PROPORTION |
|------------------------|------------|
|------------------------|------------|
-
- 5. **Expenses of Venture.** All losses and disbursements incurred by the Agent in acquiring, holding and protecting the business interest and the net profits shall, during the period of the venture, be paid by the Joint Venturers, on demand of the Agent, in the ratio which the contribution of each Joint Venturer bears to the total contributions set forth in Paragraph 2.
 - 6. **Liability of Agent.** The Agent shall be liable only for his own wilful misfeasance and bad faith, and no one who is not a party to this Agreement shall have any rights whatsoever under this Agreement against the Agent for any action taken or not taken by him.
 - 7. **Term.** This Agreement shall terminate and the obligations of the Agent shall be deemed completed on the happening of either of the following events: (a) the receipt and distribution by the Agent of the final net profits accruing under the business interest; or (b) termination by mutual assent of all joint ventures.
 - 8. **Compensation of Agent.** Unless otherwise agreed to in the future by a majority in interest of the Joint Venturers, the Agent shall not receive any compensation for services rendered by him under this Agreement.
 - 9. **Arbitration and Attorneys Fees.** The Joint Venturers agree that any dispute, claim, or controversy concerning this Agreement or the termination of this Agreement, or any dispute, claim or controversy arising out of or relating to any interpretation, construction, performance or breach of this Agreement, shall be settled by arbitration to be held in _____(City), _____(State) in accordance with the rules then in effect of the American Arbitration Association. The arbitrator may grant injunctions or other relief in such dispute or controversy. The decision of the arbitrator shall be final, conclusive and binding on the parties to the arbitration. Judgement may be entered on the arbitrator's decision in any court having jurisdiction. The Joint Venturers will pay the costs and expenses of such arbitration in such proportions as the arbitrator shall decide, and each Joint Venturer shall separately pay its own counsel fees and expenses.
 - 10. **Governing Law ; Consent to Personal Jurisdiction.** THIS AGREEMENT WILL BE GOVERNED BY THE LAWS OF THE STATE OF _____ WITHOUT REGARD FOR CONFLICTS

OF LAWS PRINCIPLES. EACH JOINT VENTURER HEREBY EXPRESSLY
CONSENTS TO THE PERSONAL JURISDICTION OF THE STATE AND
FEDERAL COURTS LOCATED IN THE STATE OF _____
FOR ANY LAWSUIT FILED THERE AGAINST ANY PARTY TO THIS
AGREEMENT BY ANY OTHER PARTY TO THIS AGREEMENT
CONCERNING THE JOINT VENTURE OR ANY MATTER ARISING FROM
OR RELATING TO THIS AGREEMENT.

In witness whereof the Agent and the Joint Venturers have signed and sealed this Agreement.

(Signature of Joint Venturer) (Date)

(Printed or Typed Name of Joint Venturer)

(Signature of Joint Venturer) (Date)

(Printed or Typed Name of Joint Venturer)

(Signature of Joint Venturer) (Date)

(Printed or Typed Name of Joint Venturer)

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