

## **PARTNERSHIP AGREEMENT**

The undersigned \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_, do hereby acknowledge that they are partners, doing business under the trade name of \_\_\_\_\_ (the "Partnership"), and that each of them is the owner of a one-seventh (1/7) undivided interest in and to each and every asset of the Partnership, and that the assets of the Partnership include, among other things, cash on deposit, accounts receivable, fixtures, equipment, certain other personal property used in connection with the Partnership's operations, and that certain real property located at \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, as more particularly described in **Exhibit "A"** attached hereto, and the undersigned do further acknowledge that, as partners, they are equally liable for all indebtedness of the Partnership, share and share alike.

The undersigned do further agree that this Partnership shall be governed in accordance with the \_\_\_\_\_ Uniform Partnership Law and the terms and conditions set forth below:

1. The principal place of business of the Partnership shall be located at \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, and at such other places as may be mutually agreed upon by the partners.

2. This Partnership shall continue until dissolved by mutual agreement of the partners or by operation of law.

3. Each of the partners shall share in the profits and losses of the Partnership equally.

4. Books of account of the transactions of the Partnership shall be kept at the principal place of business, and shall be available at all times for inspection by any partner. Each partner shall cause to be entered upon the books an accurate account of all his dealings, receipts, and expenditures for or on account of the Partnership.

5. Partners shall have equal rights in the management and conduct of the Partnership. Decisions shall be by majority vote.

6. Without the consent of all the partners, none of the partners shall become obligated as surety for any other person in the name of the Partnership, or lend, spend or give any part of the Partnership property, or draw or accept any bill, note, or other security in the name of the Partnership, except in the due course of Partnership business.

7. **BUY-SELL AGREEMENT**

WHEREAS, the parties are now engaged as some of the employees in the practice of \_\_\_\_\_, under the name of \_\_\_\_\_; and

WHEREAS, the parties hereto desire to arrange for the sale of all of the rights, interest and ownership in and to the assets of the Partnership of any party hereto who expires or

whose employment with \_\_\_\_\_, is terminated for any reason, to the remaining parties hereto, who shall have the exclusive right to purchase same;

THEREFORE, the parties hereto agree as follows:

a) PURCHASE PRICE: The purchase price of the Partnership interest of a deceased party hereto or of a party no longer employed by \_\_\_\_\_, hereinafter referred to as the "Seller," shall be an amount equal to the value of Seller's or deceased partner's net equity in the assets of the Partnership, which value shall be determined by a competent appraiser agreed upon by the remaining parties hereto and the Seller or the legal representative of the deceased partner's estate, or in the absence of any agreement as to the selection of a sole appraiser, then the remaining parties shall select an appraiser, and the Seller or decedent's legal representative shall select an appraiser, and said two appraisers shall in turn select a third appraiser, and the three appraisers together shall determine the value of the decedent's net equity in the assets of the Partnership (with the third appraiser to act as the final arbiter as to the final value of said assets for purposes of carrying out this agreement). The parties agree that the said net equity shall be computed after adjusting for any liens, pro rata taxes or other claims against the Seller's or deceased partner's interest.

b) PAYMENT OF PURCHASE PRICE: The purchase price for the Partnership interest of a Seller or a deceased partner shall be paid to the Seller or to the estate of the decedent as follows:

At least twenty percent (20%) of such purchase price shall be forthwith paid in cash, within thirty (30) days after the purchase price is ascertained, to the Seller or to the legal representative of a deceased partner, and the balance of the purchase price, if any, as computed above, shall be paid together with interest as defined below on the unpaid balance in not more than sixty (60) equal consecutive monthly installments of principal and interest (except as adjusted below for interest) to the Seller or to the legal representative of a deceased partner, said payments to be represented by a promissory note signed by the remaining partners and secured by a deed of trust to, and security interest in, their equity in the Partnership assets, in the event the full purchase price is not initially paid. Interest shall be defined as the prime interest rate at \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, in effect on the first day of the calendar year in which the purchase price is ascertained. The interest rate on said unpaid balance shall be adjusted annually with the first installment of each calendar year to reflect said prime interest rate in effect as of the first day of each calendar year. All or any prepayment may be made without penalty at any time.

c) TRANSFER OF INTEREST: Upon the payment of the down payment to the Seller or to the estate of a deceased partner, and upon the execution of a note, deed of trust and security agreement as called for above, the Seller or the legal representative of a deceased partner shall forthwith execute and deliver to the remaining partners, share and share alike, all documents reasonably required to convey said assets and property and to evidence such purchase; and all of the Seller's or decedent's rights in said Partnership assets jointly owned by the parties hereto, shall thereafter belong exclusively to the surviving or remaining partners. The surviving or remaining partners shall not be liable to the estate of the deceased partner for any estate, inheritance or succession taxes of such estate, whether by reason of insurance proceeds or otherwise.

d) BENEFIT: This agreement shall bind all the parties hereto and their respective heirs, executors, administrators and assigns, but nothing herein shall be construed as an authorization or right of any party to assign his rights or obligations hereunder.

e) PAYMENT OF EXPENSES: The parties shall each pay their pro rata share for the cost of implementing this agreement in event of the death or termination of said employment by a party hereto, except, where separate appraisers are selected, the Seller or his representative and the remaining parties shall pay their independent appraiser's fee, and all parties shall pay pro rata their share of the third appraiser's fee and other necessary expenses to carry out this agreement.

8. This agreement supersedes all prior agreements concerning the disposition of the property described herein between the parties hereto.

IN WITNESS WHEREOF, the parties have executed this agreement this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

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