

## Limited Partnership - Formation Questionnaire

Primary Contact Name:

Proposed Business Name:            Address:            Telephone:            Mobile:

E-mail:            Fax:

The name of the Limited Partnership is:

Type of business:

The registered agent of the Limited Partnership is:            whose address is

Name of Tax Matters Partner (if any):            whose address is

The purpose of this Limited Partnership is:

Do the business organizers intend the business to survive their departure? Yes  No

Is the business primarily intended to provide professional services? Yes  No

If yes, what kind?

Is the business intended to primarily provide advocacy, education, or public services?

Yes  No  If yes, what kind?

Do purposes include management of real estate? Yes  No

If yes:

Identify Real Estate:            Address:            Common name:            Type/use:

Real Estate is:

owned by General/Managing Partners and to be contributed as a capital contribution - value: \$

to be acquired under existing contract

Date of contract:

Seller:

Purchaser:

to be acquired, but no contract has been executed

other:

Partnership is to:

merely operate existing structures

construct low income housing

rehabilitate (under Tax Reform Act of 1986)

construct other type of building

if cost of  acquiring Real Estate or  constructing improvements exceeds \$

Limited Partners are to contribute            % of excess, up to \$

mortgages, etc. must be non-recourse

Will the business operate mainly locally , nationally , or internationally ?

If nationally or internationally, describe:

How many employees will the business have?

What is the expected yearly revenue or loss for the business:

For the first two years?

For two to ten years from now?

For ten to twenty years from now?

What are the greatest risks associated with the business?

Will principals contribute their own assets to the business? Yes  No  If yes, describe:

Do you expect to initially generate capital from investment or from sales?

How much of the business' debts will principals have to personally guarantee?  
How long will it likely be before the business becomes profitable?  
Will each principal be due an equal share of profits? Yes  No   
How will the amount of income or salary due each principal be determined?  
Will earnings be distributed to owners immediately , or will they be accumulated by the business for future investment ?  
Is Agreement to be a short form, rather than a long form? Yes  No   
Is Agreement to be strongly protective of rights of Limited Partners, rather than the traditional bias in favor of General/Managing Partners? Yes  No

**THE PARTIES**

Enter the following information about persons entering into the Partnership Agreement.

Name	Address	Phone Number	Dollar Amount of Capital Contribution	Percentage of Partnership Interest	Type of Partner (General, Managing, Limited)

**OPERATIONS/CAPITALIZATION/AUTHORIZATIONS**

What date will the partnership agreement be signed?

- When will the partnership end or be expected to end?
- When the Partners decide to terminate the Partnership affairs.
  - When the Partnership assets have been sold or otherwise disposed of.
  - Other

The total capital contribution from all Partners to the Partnership is

In the event the Partnership requires a later infusion of money to run the business, are the Partners required to contribute additional capital?

Yes, the Partners are required to contribute additional capital, in same ratio as their percentage of profits, but in no event an amount exceeding percent of their original capital contribution.

No

Will the General Partner(s) be entitled to compensation for their work on behalf of the Partnership? Yes  No

If yes, how much per month will the General Partner be entitled to collect?

Will the General Partners be required to devote their full time, effort and attention to the Partnership? Yes  No

Are Managing Partners to be elected? Yes  No  If yes, Managing Partners are to be elected by what vote:  majority  2/3rds  75%  unanimous  other:

May a new Partner be admitted to the Partnership with less than the unanimous consent of the other Partners? Yes  No  If yes, what vote required?:  majority  2/3rds  75%  other:

What consent is to be required to continue the business of the Partnership?  unanimous consent  75% in interest  2/3rds in interest  majority in interest  other:

If a Partner desires to voluntarily withdraw, must the Partner first get the consent of some or all of the other Partners? Yes  No  If yes, what vote required?  unanimous consent  75% in interest  2/3rds in interest  majority in interest  other:

In general, decisions reserved to the Partners are to be made by what vote?  unanimous consent  75% in interest  2/3rds in interest  majority in interest  other:

What requirements do you want to impose regarding signing checks, notes, deeds, contracts, etc. on behalf of the partnership?

Do you wish to allow execution of said documents up to a certain value without consent of others during a limited time period Yes  No  If yes, please indicate the amount: \$ \_\_\_\_\_ and the duration: One week  One month  One quarter  One calendar year  , or Other  specify:

Who shall have authorization?

Partner authorized to sign with the unanimous consent of all partners (limited and general)

Partner authorized to sign with a majority consent of the partners (limited and general)

General partner only authorized to sign

Managing partner only authorized to sign

Other. Please specify:

If authority delegated to a managing partner, please state the managing partner's name:

Is the Agreement to provide for annual meetings of the Partners? Yes  No

Is the Agreement to provide for assignment of allocations and distributions to any of the following?:

- relatives of a Partner without consent;
- another Partner without consent;
- to any person with the following consent:
- no consent required
- unanimous (all Partners)  75%  2/3rds  majority  other:

Other than amendments of the Partnership Agreement which directly change the financial share of each Partner will require unanimous consent, do you wish to provide for other types of amendments with less than unanimous consent? Yes  No  If yes, what consent?  75%  2/3rds  other:

A decision to dissolve the Partnership is to be made the following vote:  unanimous  75%  2/3rds  majority  other:

Competing business activities:

- Partner may engage in competing business activities
- The Agreement is to be silent on the subject
- Partners are expressly to have the right to engage in competing businesses
- Each Partner is to covenant not to compete while a Partner and for period after membership in the Partnership ceases for a period of \_\_\_\_\_ within the area of \_\_\_\_\_

Are Limited Partners' interests to be syndicated? Yes  No

Will you coordinate Offering Memorandum with separate securities counsel? Yes  No

Total amount of Interests to be syndicated: \$

Total percentage Interests (other than initial Limited Partners) to be syndicated: %

Total number of "units":

Percentage Interest of one "unit": %

Price for one "unit": \$

Price of smallest portion of a "unit" which may be purchased: \$

Minimum amount of Interests that must be sold if offering is to be effective: \$

Date by which minimum must be sold:

General Partners may extend date - how many months?

Approx. net worth of General Partners: \$ \_\_\_\_\_ as of \_\_\_\_\_

Minimum net worth of an investor: \$

May Limited Partners pay portion of capital contribution on future dates? Yes  No

If yes:

- pursuant to note
- down payment: \$
- schedule of payments:
- obligation to be secured by:
- letters of credit - bank:

(if not a syndication) May General/Managing Partners admit additional Limited Partners?  
Yes  No  If yes, for capital contribution of \$            for each percentage Interest  
(max:            %)

May General Partners "convert" up to 95% of General/Managing Partners Interests into Limited Partners Interests for future sale? Yes  No

If Partnership requires additional funds:

- General/Managing Partners may advance funds
- as an interest bearing loan            rate: % per annum
- no interest may be charged
- Limited Partners may advance funds (if General Partners fail to do so) as an interest bearing loan            rate: % per annum
- Agreement is to be silent

Are the General/Managing Partners to be paid:

- management fee of \$            per annum?
- marketing supervision fee of \$            per annum?
- partnership formation fee of \$            ?
- no compensation?

annual report to be audited by certified public accountant. The General/Managing Partners also are to provide:  monthly reports  quarterly reports  both

consent of Limited Partners is to be required for major acts -- vote required:

- sale of all assets
- sale of Real Estate
- mortgaging of Real Estate
- borrowing of money in excess of \$
- settlement of claims in excess of \$
- establishment of reserves in excess of \$
- merger or consolidation

Partners are to have a right of first refusal for any Interest being sold

Are the other Partners to agree, in advance, to buyout the interest of a Partner who dies or becomes totally disabled (or retires)? Yes  No  If yes, which will apply?:

- buyout on death
- buyout on disability
- buyout on retirement

Buyout funding made by:

- insurance
- may pay in installments evidenced by a Note to be paid in \_\_\_\_\_ monthly installments, with a minimum amount for each installment of \$ \_\_\_\_\_ at the rate of interest of % \_\_\_\_\_ and percent of price as cash down payment of \_\_\_\_\_ %

The purchase price is to be based on  book value  fair value based on the assets and liabilities of the Partnership, to be stipulated annually or determined by appraisal  good will is to be taken into account, whether or not carried on the books

- stipulate present value of 1% Interest: \$ \_\_\_\_\_
- stipulate minimum future value of 1% Interest: \$ \_\_\_\_\_

Are disputes to be resolved by arbitration? Yes  No

Do you want a limited partner to have a priority right over other limited partners for repayment of its contributions? Yes  No

Do you want a limited partner to have a priority right over other limited partners for repayment of capital contributions on dissolution of the partnership? Yes  No

If yes to either of the above, which limited partner shall have priority for repayment?