

PARTNERSHIP AGREEMENT

THIS PARTNERSHIP AGREEMENT is entered into and effective as of this ____ day ____ of, 20 ____

by _____ (first party) and by _____ (second party) ,

herein after referred to as "Partners".

The Partners desire to form a general partnership under the laws of the (State you reside in) for the purposes and on the terms and conditions stated in this agreement. Therefore, the parties agree to become partners and to form a partnership and further acknowledge and agree as follows:

1. NAME:

The name of the partnership shall be. _____

2. PLACE OF BUSINESS:

The partnership's principal place of business shall be at. _____

The principal place of business may be changed from time to time and other places of business may be established by actions taken in accordance with the provisions of this agreement that govern management of the partnership's business and affairs.

3. TERM:

The partnership shall begin as of the date of this agreement and shall continue until dissolved by mutual agreement of all the Partners or under the provisions for dissolution and winding up in this agreement.

4. PURPOSE:

The purpose of the partnership is:

(1) _____

(2) _____

(3) _____

5. BUSINESS NAME:

The Partners, or any one of the, on the partnership's behalf shall sign and cause to be filed an appropriate business name under the Consumer (Corporate) Affairs within 30 days after the partnership begins doing business, within 30 days after any subsequent change in its membership, and before the expiration of any previously filed statement. Each of the parties to this agreement appoints _____ as his agent and solicitor solely to execute on his behalf any such business name statement relating this partnership.

6. STATEMENT FOR PARTNERSHIP REAL ESTATE:

Promptly following the commencement of the partnership and any subsequent change in its membership, the Partners shall sign, acknowledge, and verify a statement and cause it to be recorded in each shire (State you reside in) in which the partnership owns or contemplates owning real estate property or any interest in real estate property.

7. CAPITAL CONTRIBUTIONS:

(Name of first partner) _____ and
(Name of second partner) _____ shall contribute
(type in specified amount) \$ _____ cash, each, as their capital contribution to the partnership. Any real money spent prior to the ratification of this agreement by any of the "Partners" shall be reimbursed from the capital contributions as soon as possible after processing by the accounting staff.

8. ADDITIONAL CAPITAL CONTRIBUTIONS:

Whenever it is determined by the written agreement of Partners holding a majority in capital interest of the partnership that its capital is or is presently likely to become insufficient for the conduct of its business, those Partners may, by written notice to all Partners, call for additional contributions to capital. These contributions shall be payable in cash no later than the date specified in the note, or no sooner than 30 days after the notice is given. Each Partner shall be liable to the partnership for his share of the aggregate contributions duly called for under this paragraph.

9. VOLUNTARY CONTRIBUTIONS:

No Partner may make any voluntary contribution of capital to the partnership without the consent of all the Partners.

10. WITHDRAWAL OF CAPITAL:

No Partner may withdraw capital from the partnership without the consent of all the Partners.

11. INTEREST ON CAPITAL CONTRIBUTIONS:

No Partner shall be entitled to receive any interest on his capital contribution.

12. LOANS TO PARTNERSHIP:

No Partner shall lend or advance money to or for the partnership's benefit without the approval of all the Partners.

If any Partner, with the requisite consent of the other Partners, lends any money to the partnership in addition to his contribution to its capital, the loan shall be a debt of the partnership to that Partner and shall bear interest at the rate of (state agreed percentage). The liability shall not be regarded as an increase of the lending Partner's capital, and it shall not entitle him to any increased share of the partnership's profits.

13. DIVISION OF PROFITS AND LOSSES:

The partnership's profits and losses shall be shared equally among the Partners.

14. FISCAL YEAR OF PARTNERSHIP:

The fiscal year of the partnership shall be the calendar year.

15. ACCOUNTING METHOD:

The partnership books shall be kept on the cash basis.

16. DETERMINATION OF PROFIT AND LOSS:

The partnership's net profit or net loss for each fiscal year shall be determined as soon as practicable after the close of that fiscal year in accordance with the accounting principles employed in the preparation of the tax return filed by the partnership for that year, but without any special provisions for tax-exempt or partially tax-exempt income.

17. PARTNERSHIP BOOKS:

Property and complete books of account of the partnership business shall be kept at the partnership's principal place of business and shall be open to inspection by any of the Partners or their accredited representatives at any reasonable time during business hours. The accounting records shall be maintained in accordance with generally accepted bookkeeping practices for this type of business. The books shall be examined by an independent certified public accountant at least annually.

18. MANAGEMENT OF PARTNERSHIP:

The managing general partner for administrative and ministerial functions only shall be (state partner's full name) and to the extent necessary to fulfil such functions, he shall have control over the business and assume direction of the operations. He shall consult and confer as far as practicable with the non-managing Partners, but the power of decision over such matters is vested in him. On his death, resignation or other disability preventing him from carrying out his duties created herein, a successor managing Partner shall be selected by a majority in capital interest of the Partners.

19. ACTS REQUIRING MAJORITY CONSENT:

The following acts may be done only with the consent of a majority in capital interest of partners:

- a) Borrowing money in the partnership's name, other than in the ordinary course of the partnership's business or to finance any part of the purchase price of the partnership's properties.
- b) Transferring, hypothecating, compromising, or releasing any partnership claim except on payment in full.
- c) Selling, leasing, or hypothecating any partnership property or entering into any contract for any such purpose, other than in the ordinary course of the partnership's business and other than any hypothecation of partnership property to secure a debt resulting from an transaction permitted under (a).
- d) (d) Knowingly suffering or causing any- thing to be done whereby partnership property may be seized or attached or taken in execution, or its ownership or possession otherwise endangered.

20. HANDLING OF PARTNERSHIP FUNDS:

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All partnership funds shall be deposited in the partnership's name and shall be subject to withdrawal only on the signatures of at least TWO (2) Partners, except that an operating account may be maintained with a balance never to exceed (state agreed amount). The monies in the operating account shall be subject to withdrawal on the signature of the managing partner, or any other partner in his absence.

21. OUTSIDE ACTIVITIES OF PARTNERS:

Any Partner may be engaged in one or more business, other than the business of the partnership, but only to the extent that this activity does not compete or materially interfere with the business of the partnership and does not conflict with the obligations of that Partner under this agreement. Neither the partnership nor any other Partner shall have the right to any income or profit derived by a Partner from any business activity permitted under this section.

22. PARTNERS DEATH, DISABILITY, OR VOLUNTARY WITHDRAWAL:

In the case of partner's death, permanent physical or mental disability, retirement from the partnership, or voluntary withdrawal from the partnership, the partnership shall not dissolve or terminate but its business shall continue without interruption and without any break in continuity. On the death, disability, or withdrawal of any partner, the others shall not liquidate or wind up the affairs of the partnership, except as otherwise provided in this agreement, but shall continue to conduct a partnership under the terms of this agreement with any successor or transferee of the deceased or withdrawn Partner.

23. RIGHT OF FIRST REFUSAL:

If any Partner receives an offer, whether or not solicited by him, from a person not then a Partner to purchase all or any portion of his interest in the partnership, and if the Partner receiving the offer is willing to accept it, he shall give written notice of the amount and terms of the offer, the identity of the proposed transferee, and his willingness to accept the offer to each of the other Partners. The other Partners shall have the option, within 45 days after that notice is given, to purchase the designated interest or designated portion of the interest of the Partner giving notice on the same terms as those contained in the offer. If both Partners choose to exercise their option, then they shall each contribute one-half of the consideration and shall each individually acquire one-half of the selling Partner's interest. If only one Partner exercises the option individually, then there is no right to receive one-half of the interest transferred by the other Partner by any remaining Partner.

24. INDEMNIFICATION:

Each Partner shall indemnify and hold harmless the partnership and each of the other Partners from any and all expense and liability resulting from or arising out of any negligence or misconduct on his part to the extent that the amount exceeds the applicable insurance carried by the partnership.

25. AMENDMENTS:

This agreement may be amended at any time and from time to time, but any amendment must be in writing and signed by each person who is then a Partner.

26. NOTICES:

Any written notice to any of the Partners required or permitted under this agreement shall be deemed to have been duly given on the second day after mailing if mailed to the party to whom notice is to be given, by first class certified return receipt requested, postage prepaid, and addressed to the addressee at the address stated opposite his name

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below, or at the most recent address, specified by written notice, given to the sender by the addressee under this provision. Notices to the partnership shall be similarly given, and address to it at its principal place of business.

27. GOVERNING LAW:

This agreement is executed and intended to be performed in the (State you reside in), and the laws of that state shall govern its interpretation and effect.

28. SUCCESSORS:

This agreement shall be binding on and inure to the benefit of the respective successors, assigns, and personal representatives of the parties, except to the extent of any contrary provision in this agreement.

29. SEVERABILITY:

If any term, provision, covenant, or condition of this agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the rest of the agreement shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

30. ENTIRE AGREEMENT:

This instrument contains the entire agreement of the parties relating to the rights granted and obligations assumed in this agreement. Any oral representations or modifications concerning this instrument shall be of no force or effect unless contained in a sub-sequent written modification signed by the party to be charged.

In WITNESS WHERE OF, the Partners have executed this agreement as of the date first above written at _____,Australia .

FULL NAME OF PARTNER: _____
Residential address: _____
_____ State _____ Post Code _____

FULL NAME OF PARTNER: _____
Residential address: _____
_____ State _____ Post Code _____

Witnessed by: _____
Address: _____
_____ State _____ Post Code _____

Signature: _____

Name of Signature: _____

Phone (include country code and area code): _____ Mob _____

Email: _____