

PARTNERSHIP AGREEMENT

AGREEMENT by and between the Undersigned ("Partners").

1. Name. The name of the partnership is:
2. Partners. The names of the initial partners are:
3. Place of Business. The principal place of business of the partnership is:
4. Nature of Business. The partnership shall generally engage in the following business:

5. Duration. The partnership shall commence business on _____ and shall continue until terminated by this agreement, or by operation of law.

6. Contribution of Capital. The partners shall contribute capital in proportionate shares as follows:

Partner	Capital	Partnership Shares
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

7. Allocation of Depreciation or Gain or Loss on Contributed Property. The partners understand that, for income tax purposes, the partnership's adjusted basis of some of the contributed property differs from fair market value at which the property was accepted by the partnership. However, the partners intend that the general allocation rule of the Internal Revenue Code shall apply, and that the depreciation or gain or loss arising with respect to this property shall be allocated proportionately between the partners, as allocated in Paragraph 6 above, in determining the taxable income or loss of the partnership and the distributive share of each partner, in the same manner as if such property had been purchased by the partnership at a cost equal to the adjusted tax basis.

8. Capital Accounts. An individual capital account shall be maintained for each partner. The capital of each partner shall consist of that partner's original contribution of capital, as described in Paragraph 6, and increased by additional capital contributions and decreased by distributions in reduction of partnership capital and reduced by his/her share of partnership losses, if these losses are charged to the capital accounts.

9. Drawing Accounts. An individual drawing account shall be maintained for each partner. All withdrawals by a partner shall be charged to his drawing account. Withdrawals shall be limited to amounts unanimously agreed to by the partners.

10. Salaries. No partner shall receive any salary for services rendered to the partnership except as specifically and first approved by each of the partners.

11. Loans by Partners. If a majority of partners consent, any partner may lend money to the partnership at an interest and terms rate agreed in writing, at the time said loan is made.

12. Profits and Losses. Net profits of the partnership shall be divided proportionately between the partners, and the net losses shall be borne proportionately as follows:

Partner	Proportion
_____	_____
_____	_____
_____	_____

13. Management. The partners shall have equal rights and control in the management of the partnership.
14. Books of Accounts. The partnership shall maintain adequate accounting records. All books, records, and accounts of the partnership shall be open at all times to inspection by all partners, or their designated representatives.
15. Accounting Basis. The books of account shall be kept on a cash basis.
16. Fiscal Year. The books of account shall be kept on a fiscal year basis, commencing January 1 and ending December 31, and shall be closed and balanced at the end of each year.
17. Annual Audit. The books of account shall be audited as of the close of each fiscal year by an accountant chosen by the partners.
18. Banking. All funds of the partnership shall be deposited in the name of the partnership into such checking or savings accounts as designated by the partners.
19. Death or Incapacity. The death or incapacity of a partner shall cause an immediate dissolution of the partnership.
20. Election of Remaining Partner to Continue Business. In the event of the retirement, death, incapacity, or insanity of a partner, the remaining partners shall have the right to continue the business of the partnership, either by themselves or in conjunction with any other person or persons they may select, but they shall pay to the retiring partner, or to the legal representatives of the deceased or incapacitated partner, the value of his or her interest in the partnership.
21. Valuation of Partner's Interest. The value of the interest of a retiring, incapacitated, deceased, or insane partner shall be the sum of (a) the partner's capital account, (b) any unpaid loans due the partner, and (c) the partner's proportionate share of the accrued net profits remaining undistributed in his drawing account. No value for goodwill shall be included in determining the value of a partner's interest, unless specifically agreed in advance by the partners.
22. Payment of Purchase Price. The value of the partner's interest shall be paid without interest to the retiring partner, or to the legal representative of the deceased, incapacitated or insane partner, in () monthly installments, commencing on the first day of the second month after the effective date of the purchase.

23. Termination. In the event that the remaining partner does not elect to purchase the interest of the retiring, deceased, incapacitated, or insane partner, or in the event the partners mutually agree to dissolve, the partnership shall terminate and the partners shall proceed with reasonable promptness to liquidate the business of the partnership. The assets of the partnership shall first be used to pay or provide for all debts of the partnership. Thereafter, all money remaining undistributed in the drawing accounts shall be paid to the partners. Then the remaining assets shall be divided proportionately as follows:

Partner	Percentage
_____	_____
_____	_____
_____	_____

24. This agreement shall be binding upon and inure to the benefit of the parties, their successors, assigns and personal representatives.

Signed this _____ day of _____, _____ (year).

_____	_____
Partner	Partner
_____	_____
Partner	Partner
_____	_____
Witness	Partner

State of _____ }
 County of _____ }
 On _____ before me, _____, appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____

Affiant _____ Known _____ Produced ID _____

(Seal)

Type of ID _____