

PARTNERSHIP AGREEMENT

This Partnership Agreement (the "Agreement") is made on _____ [Date], by and between:

1. _____ [Partner 1's Full Name], of _____ [Address], and
2. _____ [Partner 2's Full Name], of _____ [Address],

(collectively referred to as "the Partners"), with reference to the **Partnership Act 1890** and other relevant UK laws.

1. Partnership Name

The name of the Partnership shall be _____ [Partnership Name], or any other name as agreed upon by the Partners.

2. Principal Office

The principal place of business of the Partnership shall be _____ [Address, including Postcode], or such other location as agreed upon.

3. Nature of Business

The Partnership is established for the purpose of _____ [Describe Business Purpose], and may engage in any lawful business activities agreed upon by the Partners.

4. Term

This Agreement shall commence on _____ [Start Date] and shall continue until _____ [End Date] or until terminated in accordance with this Agreement.

5. Capital Contributions

The Partners shall make the following contributions to the Partnership's capital:

Partner Name	Contribution Amount (£)	Contribution Type (Cash/Property/Other)

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No additional contributions shall be required unless agreed upon in writing by all Partners.

6. Profit and Loss Sharing

The Partners shall share profits and losses in the following manner:

Partner Name	Profit/Loss Percentage (%)
_____	_____
_____	_____

All Partners shall share equally in management decisions unless otherwise agreed.

7. Partnership Accounts and Banking

A joint Partnership bank account shall be maintained at _____ [Bank Name], and all transactions shall require _____ [Number] signatures.

Records of accounts shall be maintained and made available to all Partners.

8. Management and Decision Making

- Each Partner shall have equal voting rights in business decisions.
- Decision-making authority shall be allocated as follows:
 - _____ [Partner Name] shall oversee _____ [Area of Responsibility].
 - _____ [Partner Name] shall manage _____ [Area of Responsibility].

If disputes arise, they shall be resolved by majority vote / mediation / arbitration.

9. Drawings and Remuneration

Partners shall be entitled to regular drawings from the Partnership profits, agreed as follows:

- Fixed Drawings of £_____ per month/week.
- Percentage-based drawings as per profit-sharing agreement.

No Partner shall take unauthorised withdrawals from the Partnership funds.

10. Liabilities and Indemnities

Each Partner is jointly and severally liable for Partnership debts under UK law.

The Partnership shall indemnify each Partner against losses incurred in the ordinary course of business, provided there was no negligence, misconduct, or breach of duty.

11. Tax and Financial Reporting

The Partnership shall comply with HM Revenue & Customs (HMRC) requirements, including:

- Annual Self-Assessment Tax Returns
- VAT Registration (if applicable) under VAT Registration No: _____
- PAYE for any employees

The Partners agree to appoint _____ [Name of Accountant] as the official accountant of the Partnership.

12. Dissolution and Exit Strategy

The Partnership shall be dissolved upon:

- Mutual agreement of all Partners.
- Death, bankruptcy, or incapacity of a Partner, unless otherwise agreed.
- Breach of Agreement, leading to an exit procedure outlined as follows:

If a Partner exits, their share shall be:

- Offered to remaining Partners at fair market value.
- Sold to an external buyer, subject to Partner approval.
- Transferred to a successor (e.g., family member).

13. Restrictions on Competition

No Partner shall:

- Engage in competing businesses while part of this Partnership.
- Use Partnership intellectual property for personal gain.

14. Dispute Resolution

All disputes shall be resolved through:

- Mediation, facilitated by _____ [Mediator's Name].
- Binding arbitration, governed by UK Arbitration Act 1996.

Legal action, under the jurisdiction of the Courts of England and Wales (or Scotland/Northern Ireland if applicable).

15. Confidentiality

All Partners agree to maintain confidentiality of business records, trade secrets, and sensitive information, even after leaving the Partnership.

16. Governing Law

This Agreement shall be governed and construed in accordance with the laws of _____ [England/Wale/Scotland/Northern Ireland].

17. Amendments and Notices

This Agreement may only be amended by a written agreement signed by all Partners.

All written notices must be delivered to the respective addresses below:

Partner Name	Address
_____	_____
_____	_____

18. Entire Agreement

This Agreement represents the entire understanding between the Partners and supersedes all previous agreements.

IN WITNESS WHEREOF, the Partners have signed this Agreement on _____ [Date].

Signed by Partner 1:

Name: _____

Signature: _____

Date: _____

Signed by Partner 2:

Name: _____

Signature: _____

Date: _____

Witness:

Name: _____

Address: _____

Signature: _____

Date: _____

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