This Agreement creates a Partnership, and is in the form of a Deed, which is a legal requirement.

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Kalde & Associates Commercial Lawyers

PARTNERSHIP DEED

Between:

AND

AND

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**THIS DEED** made on the date referred to as the commencement date in Item 2 of the Schedule between the persons described in Item 1 of the Schedule (‘the partners’).

The parties to this deed mutually agree to become partners in the business described in Item 5 of the Schedule (‘the business’) upon the terms expressed below.

# Commencement

The partnership will be deemed to commence on the date specified in Item 2 of the Schedule and will continue until terminated in accordance with this deed.

# Place of business

The business will be carried on at the address in Item 4 of the Schedule and such other premises as the partners from time to time agree upon.

# Business Names

### The name or names of the partnership will be that referred to in Item 3 of the Schedule or such other name as the partners will from time to time determine.

### The business names referred to in Item 3 of the Schedule will be registered in the name of the partnership with each partner listed as co-owner.

# Retirement of partners

Any partner may retire from the partnership on giving written notice of not less than 2 [two] months to the other partners and at the expiration of such time the partnership will determine and in consequence of that the provisions of clause 19 will apply.

# Equal shares

Subject to the provisions of this agreement the partners will be entitled to the capital and property for the time being of the business including the goodwill of the business in equal shares.

# Capital

The capital of the partnership will be deemed to be the assets of the partnership provided that if at any time from now on any partner will advance to the partnership with the consent of the other partners any more than his due proportion of capital the excess will be considered as a loan to the partnership repayable on demand[and until payment will carry interest but only with the written consent of the other partners at the rate of 10% per annum or such higher rate as the partners may agree upon.

# Further capital

If any further capital will at any time or times be necessary or expedient for efficiently carrying on the business it will be contributed by the partners in such shares as may be agreed to in writing.

# Partnership Asset

In the event of any partner at any time receiving or acquiring any partnership asset they will hold the same upon trust for the partners.

# Bank

The bank of the partnership will be such bank or banks as the partners will from time to time agree.

# Bank account

All partnership moneys and securities for money will as and when received and in accordance with any relevant legislative requirement be paid into the bank to the credit of the partnership account or accounts and all cheques on such accounts will be drawn in the firm name and will be signed by two partners or in such manner and by such persons as the partners will from time to time agree.

# Outgoings and expenses

All ordinary and current outgoings and running expenses in relation to the business or incurred in any way in connection with it will be paid out of the income or capital of the partnership and in cases of deficiency of the income or capital by the partners in the shares in which they are entitled to the capital of the partnership.

# Net profits

The profits and losses of the partnership (including profits and losses of a capital nature) will belong to and be borne by the partners in equal shares or in such other proportions as the partners may from time to time agree.

# Duties of partners

Each partner promises to:

(a) be just and faithful to the other in all transactions relating to the partnership and the business;

(b) at all times give to the other a just and faithful account of the same and also upon every reasonable request furnish a full and correct explanation of the transaction to the other;

(c) upon any sale of any partnership assets each partner will sign all documents and do all things necessary to carry such sale into effect;

(d) devote all necessary time and attention to the affairs of the partnership; and

(e) do all things reasonably necessary to comply with this agreement.

# Execution of documents

Every bond, bill, note or other security given on account of the partnership (other than cheques drawn on the partnership account in the ordinary and regular course of business or for the purpose of a partner’s authorised drawings) will unless otherwise unavoidable in the interest of the partnership be signed, endorsed, accepted or executed by two partners or in such other manner as the partners will from time to time determine and any bond, bill, note or other security to which any partner will be a party in breach of this provision will be deemed to be given on the separate account of such partner who will pay and discharge the same out of his own money and indemnify the other partners against all actions, proceedings, costs, claims and demands in respect of that.

# Personal debts

Every partner will at all times duly and punctually pay and discharge their separate and private debts and engagements whether present or future and keep indemnified the other partners from all actions proceedings costs, claims and demands they may suffer or incur arising directly or indirectly from his, her or their failure to do so.

# Financial records

All usual and proper books of accounts will be kept. Such books will contain particulars of all moneys, goods or effects belonging to or owing to or by the partnership or paid, received, sold or purchased in the course of the business and of all such other transactions, matters and things relating to the business as are usually entered in books of account kept by persons engaged in a business of the nature of the business. The books of account and all papers and documents belonging or referring to the partnership will be kept at a place to be determined by the partners in writing and each of the partners will at all times have free access to examine and copy the same.

# Annual and quarterly accounts

As soon as practicable after 30 June in every year during the continuance of the partnership a general account and valuation will be taken by the accountant to the partnership made as at 30 June of the assets, property, debts and liabilities of the partnership and of all transactions matters and things usually comprehended in a general account of the like nature. Every account and valuation will be balanced agreed to and signed by all of the partners and when certified by the accountant to be correct will be binding on all partners except that any manifest error detected and pointed out by any partner to the others within one month after such signature will be immediately rectified. An account of the profits of the partnership will be prepared quarterly after 30 June in each year and immediately after the signing and settling of such account each partner will be entitled to draw out and receive their share of the net profits of the business for the then past quarter.

# Dissolution of partnership

### Upon the dissolution of the partnership as provided for in any provision of this agreement or by any event not otherwise provided for in this agreement or the death or retirement of any partner, a full and general account will be taken of the assets, credits, debts and liabilities of the business and of the transactions and dealings of it.

### With all convenient speed such assets and credits will be sold, realised and got in and the proceeds applied in paying and discharging the debts and liabilities and the expenses of and incidental to the affairs of the business and the winding up of the partnership affairs and, subject to that, in paying to each partner any unpaid profits or interest on capital which may be due to them and their share of the capital and the balance if any of such proceeds will be divided between the partners in the shares to which they are respectively entitled to the capital of the partnership.

### The partners respectively will execute, do or concur in all necessary or proper instruments, acts, matters and things for effecting or facilitating the sale, realisation and getting in of the partnership assets and credits and the due application and division of the proceeds thereof and for their mutual release or indemnity or otherwise.

# Death of partner

If any partner will die during the continuance of the partnership the surviving partners will as from the date of such death succeed to the share of the deceased partner in the partnership business and the property and goodwill of the partnership business and will undertake all the debts, liabilities and obligations of the partnership and will pay to the estate of any deceased partner the value of the interest of such deceased partner in the business at the date of death.

# Assignment

If any partner will assign, charge or encumber their share in the partnership or any part of it other than with the consent of the other partners and any authority whose consent is required or will suffer the same to be charged for their separate debt under the Partnership Act or will become bankrupt or insane or otherwise permanently incapable of attending to the partnership business or to be entitled to practice as a partner or will act in any manner inconsistent with the good faith observable between partners or will be guilty of any conduct which would be a ground for dissolution of the partnership by the court then and in any such case it will be lawful for the other partners by notice in writing to the offending or incapacitated partner to determine the partnership so far as concerns such partner whereupon the interest of such offending or incapacitated partner in the partnership will cease and the provisions of clause 18 of this agreement will apply.

# Dispute resolution

All disputes and questions whatsoever which will either during the partnership or afterwards arise between the partners or their respective representatives touching the business, this agreement or the construction or application of it or any clause of it or any account valuation or division of assets debts or liabilities to be made under this agreement or as to any act or omission of any partner or as to any other matter in any way relating to the business or the affairs of it or the rights, duties or liabilities of any person under this agreement will be referred to a single arbitrator in accordance with and subject to the provisions of the *Commercial Arbitration Act 1989* (NSW) or any equivalent legislation for the time being in force.

# Notices

### Any notice authorised or required to be given to any partner will be sufficiently given by leaving it or posting it by prepaid post addressed to that partner at their last known address.

### In a case of a notice to the partners of the firm the notice will be sufficiently given by leaving it at or posting it by prepaid post to the premises of the firm.

### Any letters sent by post will be deemed to have been received in the ordinary course of post.

# Execution & Schedules

## EXECUTED AS A DEED

If any of the parties is a company, use the execution block below.

|  |  |  |
| --- | --- | --- |
| **EXECUTED** for and on behalf of      in accordance with Section 127(1) of the *Corporations Act 2001* by authority of the Directors: |  |  |
| Signature of Director    Name of Director |  | Signature of Director/Secretary    Name of Director/Secretary |

If any of the parties is a sole director company, use the execution block below.

|  |  |  |
| --- | --- | --- |
| **EXECUTED** for and on behalf of      in accordance with Section 127(1) of the *Corporations Act 2001* by authority of the Directors: |  |  |
|  |  | Signature of Sole Director/Secretary    Name of Director/Secretary |

If any of the parties is an individual, use the execution block below.

|  |  |  |
| --- | --- | --- |
| **SIGNED SEALED & DELIVERED** by in the presence of: |  |  |
| Signature of Witness    Name of Witness |  | Signature |

COPY AND PASTE ADDITIONAL EXECUTION BLOCKS AS REQUIRED

SCHEDULE

* + 1. Date of Deed:
    2. Parties:
    3. Business Names
    4. Address of Partnership business
    5. Commencement of partnership:
    6. Name of partnership:
    7. Address of partnership business:
    8. Description of partnership business: