

EQUITY PARTNERSHIP AGREEMENT

Location: _____ Effective Date: _____

PARTIES:

Partner 1 Full Name: _____

Partner 1 Address: _____

Partner 1 Government ID / Driver License No.: _____

Partner 2 Full Name: _____

Partner 2 Address: _____

Partner 2 Government ID / Driver License No.: _____

RECITALS

WHEREAS, the Partners desire to associate themselves as partners in an equity partnership to conduct business together under the terms set forth in this Agreement; and WHEREAS, the Partners intend to define their rights, duties, and obligations to each other and the Partnership through this legally binding Agreement.

Section 1 – Formation

The Partners hereby form an equity partnership (the “Partnership”) pursuant to the laws of the State of _____. This Agreement shall be the governing document for the Partnership and shall control all matters relating to its operation, except as otherwise provided by applicable law.

Section 2 – Name and Principal Place of Business

The Partnership shall operate under the name _____, and its principal place of business shall be at _____, or such other place as the Partners may agree.

Section 3 – Purpose

The purpose of the Partnership is to engage in lawful business activities as agreed upon by the Partners, including but not limited to _____.

Section 4 – Capital Contributions

Each Partner shall contribute capital to the Partnership as follows: Partner 1 shall contribute _____, and Partner 2 shall contribute _____. Such contributions shall be used exclusively for Partnership business.

Section 5 – Ownership Interests

The ownership interests of the Partners in the Partnership, for profit, loss, and distributions, shall be as follows: Partner 1 – _____%, Partner 2 – _____%. Ownership interests shall be evidenced in the Partnership books and records.

Section 6 – Profit and Loss Allocation

Profits and losses of the Partnership shall be allocated to the Partners in proportion to their respective ownership interests, unless otherwise unanimously agreed in writing.

Section 7 – Management and Voting

The management of the Partnership shall be vested in the Partners jointly. Decisions shall require the unanimous

consent of the Partners unless otherwise specified herein. Each Partner shall devote such time and effort as is reasonably necessary for the conduct of Partnership business.

Section 8 – Banking and Financial Records

All Partnership funds shall be deposited in the Partnership's bank account(s). Complete and accurate records of all transactions, assets, and liabilities shall be maintained and be available for inspection by any Partner upon reasonable request.

Section 9 – Distributions

Distributions of cash or other assets shall be made to the Partners in proportion to their ownership interests at such times and in such amounts as the Partners shall agree.

Section 10 – Withdrawal or Addition of Partners

No Partner may withdraw from the Partnership or admit a new Partner without the unanimous written consent of all existing Partners.

Section 11 – Transfer of Interest

A Partner may not transfer, sell, pledge, or otherwise dispose of their interest in the Partnership without the prior written consent of the other Partner(s). Any unauthorized transfer shall be void.

Section 12 – Duties and Obligations

Each Partner shall act in good faith and in the best interest of the Partnership and shall refrain from conflicts of interest. Partners shall maintain confidentiality of all Partnership affairs.

Section 13 – Books and Records

The Partnership shall keep full and accurate books and records of its business and affairs. Each Partner shall have the right to inspect and copy such books and records at reasonable times.

Section 14 – Fiscal Year

The fiscal year of the Partnership shall end on December 31st of each year.

Section 15 – Tax Matters

The Partnership shall be treated as a partnership for federal and state income tax purposes. The Partners shall file all required tax returns and provide each Partner with appropriate tax documents.

Section 16 – Dissolution

The Partnership shall dissolve upon the occurrence of any of the following: (a) unanimous agreement of the Partners; (b) judicial decree; (c) operation of law; or (d) any event that makes it unlawful for the Partnership to continue.

Section 17 – Winding Up

Upon dissolution, the Partnership shall wind up its affairs, pay or provide for all debts and liabilities, and distribute any remaining assets to the Partners in proportion to their ownership interests.

Section 18 – Indemnification

The Partnership shall indemnify and hold harmless each Partner from and against any and all claims, liabilities, or expenses incurred in connection with the Partnership, except those arising from gross negligence, willful misconduct, or breach of this Agreement.

Section 19 – Dispute Resolution

Any disputes arising under or related to this Agreement shall be resolved first through good faith negotiation between

the Partners. If unresolved, disputes shall be submitted to mediation in the State of _____. If mediation fails, disputes shall be resolved by binding arbitration under the rules of the American Arbitration Association.

Section 20 – Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of _____, without regard to conflict-of-law principles.

Section 21 – Notices

All notices required or permitted under this Agreement shall be in writing and delivered personally, by certified mail, overnight courier, or electronic mail with confirmation, to the addresses provided by the Partners.

Section 22 – Entire Agreement

This Agreement constitutes the entire agreement between the Partners with respect to the Partnership and supersedes all prior agreements, understandings, and communications.

Section 23 – Amendments

Any amendment or modification to this Agreement shall be effective only if in writing and signed by all Partners.

Section 24 – Severability

If any provision of this Agreement is held to be invalid, illegal, or unenforceable, the remaining provisions shall remain in full force and effect.

Section 25 – Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Section 26 – Signatures

IN WITNESS WHEREOF, the Partners have executed this Equity Partnership Agreement as of the Effective Date.

PARTNER 1 SIGNATURE

PARTNER 2 SIGNATURE

Signature: _____

Signature: _____

Printed Name: _____

Printed Name: _____

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