Limited partnership agreement

[Enter partner's names, down the page]

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This	agreement is dated: [da	ite]									
It is r	made between:										
		a company incorporated in Australia [under ACN									
and											
-	ne of director of partner 1]	a director of [partner 1], whose • • • • • • • • • •									
and											
[part	ner 2] of [address]										
and											
[part	ner 3] of [address]										
and											
[If mo		e listed in the same									
Thes	se are the terms of this a	agreement:									
1.	Definitions										
	In this agreement, unles	In this agreement, unless the •••••:									
	"Accounting Date"	means the [insert proposed year end date] ■ ■ ■ ■ ■ ■ ■ ■ ■ .									
	Please keep in place the relevant act reference according to •••••••••••••••••••••••••••••••••••										
	For New South Wales	users									
	"Act"	means the Partnership Act 1892.									
	OR for Queensland use	er									
	"Act"	means the Partnership Act 1981.									

OR for Western Australian users "Act" means the Limited Partnership Act 2016. OR for Tasmania users "Act" means the Partnership Act 1891. OR for South Australian users "Act" means the Partnership Act 1891. OR for Victoria users "Act" means the Partnership Act 1958. "Confidential Information" means all information about each Partner and the Partnership Business, including any information which may give a commercially competitive ■ ■ ■ personal information about each Partner, his family **- - - - - - - - - - - :** information about employees, their performance and **----**, data or information relating to suppliers, product plans, marketing strategies, finance, performance, operations, customer ■ ■ ■ , ■ ■ information about the Intellectual Property and all aspects of **-----**■; information created or arising from this agreement; information owned by a third party and in respect of which the Partnership

information, comment or implication published on

It does not include information that it is reasonably necessary to disclose to a customer or other person in the usual course \blacksquare \blacksquare \blacksquare \blacksquare "Continuing Partners" means the Partners who continue to be members of the **-----**"Intellectual Property" means intellectual property of every sort, whether or not registered or registrable in any country, including intellectual property of kinds coming into existence after today; and including, among others, patents, trade marks, unregistered marks, designs, copyrights, software, domain names, discoveries, the Know- - - - , - - - - - - -. "Outgoing Partner" means a Partner who ceases to be a member of "Partner" means a party to this agreement and any other person who is **= = = = = = = = = = = = = =** "Partnership" means the Partners, "Partnership Business" means the **= = = = = = = = = = = = = =** "Succession Date" means a date on which an Outgoing ■ ■ ■ ■ ■

2. Interpretation

This agreement

	2.2.	A reference to a person includes a
	2.3.	A reference to a person ••••••••••••••••••••••••••••••••••••
	2.4.	The headings to the paragraphs and schedules (■ ■ ■ ■ ■ ■ ■ ■) ■ ■
	2.5.	A reference to the knowledge, information, belief or awareness
	2.6.	The words "without limitation" shall
	2.7.	A reference to an act or
3.	Part	tnership particulars and structure
	3.1.	The Partnership
		[insert]
	3.2.	The principal ••••••••••••••••••••••••••••••••••••
		[insert]
	3.3.	The Partners are
	3.4.	The Partnership is

A reference to one gender shall include any or • • • • • • • • • • •

2.1.

3.5.	[partner 1 = = =] = = = = = = = = " = = =	
3.6.	[partner 2 name] • • • • [• • • 3 • • •] • • • • • • • • • • • •	"
3.7.	The Limited Partners shall not be liable for the deb	ots and obligations ■
3.8.	No Limited Partner shall take any part	
3.9.	The Limited Partner may by himself or his agent a	t any = = = = = =
	•••••••	• • • • • • • • • • • • • • • • • • • •
3.10.	All the assets used in the Partnership Business are	e
		• • • • • • • • • • • • • • • • • • • •
3.11.	The business premises of the Partnership are held Partnership property. The cost	
		• • • • • • • • • • • • • • • • • • • •
		• • • • • • • • • • • • • • • • • • • •
3.12.	The Partnership shall terminate [five] • • • • • • • • • • • • • • • • • • •	
Part	nership shares	
4.1.	Subject to the limited liability of •••••••••••••••••••••••••••••••••••	,
	[partner 1 name]	xx%
	[partner 2 name]	yy%
	[partner 3 name]	ZZ %

		[This paragraph could provide = = = = = = = = = = = = = = = = = = =
	4.2.	If in an accounting period a Partner draws more than his share
5.	Сар	oital
	5.1.	The capital of the Partnership
	5.2.	Each of the Partners shall be entitled to interest at the rate of [5] % ■ ■
6.	Mar	nagement of the Partnership Business
	6.1.	The General Partner
	6.2.	Each of the Partners now irrevocably authorises the Director ■ ■ ■ ■
		••••
	6.3.	The General Partner shall
	6.4.	The General Partner has power to act as agent or nominee (whether or not disclosed) of the
	6.5.	The General Partner shall decide from time

6.6.	ne General Partner shall • • • • • • • • • • • • • • • • • •
6.7.	The General Partner may wind up the Partnership
6.8.	The General Partner shall be entitled to be indemnified out of the ■ ■ ■
	.
Ger	neral Partner's undertaking
	General Partner = = = = = = = = = = = = = = = = = = =
7.1.	[devote its whole time and attention to ••••••••••••••••••••••••••••••••••
7.2.	[conduct = = = = = = = = = = = = = = = =];
7.3.	keep proper books of account;
7.4.	prepare a profit and loss account and balance
7.5.	carry on the Partnership Business efficiently;
7.6.	maintain insurances appropriate
7.7.	deal at all times and •••••••••••••••••••••••••••••••••••
1.1.	e a a a a a a a a a a a a a a a a a a a
7.8.	deliver to a Partner as promptly as reasonably

8.	Restrictions on General Partner													
	The	The General Partner shall not without												
	8.1.	engage directly or												
	8.2.	use any of the assets of the Partnership												
	8.3.	compromise or ••••••••;												
	8.4.	lend money = = = = = = = = = = = = = = = = = = =												
	8.5.	give any guarantee on behalf of the Partnership;												
	8.6.	enter into any bond or become bail, surety or security with or for any												
	8.7.	enter into partnership ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ , ■ ■ ■ ■												
9.	Und	dertakings by the Director												
	The I	Director • • • • • • • , • • • • • • • • • • •												
	9.1.	he is • • • • • • • • • • • • • • • • • •												
	9.2.	he has authority to •••••;												
	9.3.	he has authority to bind • • • • • • • • • • • • • • • • • • •												
	9.4.	he will act with												

	9.5.	he will personally guarantee the obligations													
10.	Ban	Banking arrangements													
	10.1.	The General Partners shall open a bank account with such													
	10.2.	All cheques shall													
	10.3.	The bank shall be instructed to •••••••••••••••••••••••••••••••••••													
	10.4.	All Partnership money shall													
11.	Rec	ords and accounts													
	11.1.	After the profit and loss account and balance sheet have been audited copies shall be sent to													
	11.2.	The books of account and all													
	11.3.	Each Partner shall be entitled to draw out of													

12. Loans to the Partnership

12.1. If a Partner, with the consent of the other Partners, lends a sum of

12.2.	The sum loaned shall not be deemed to be • • • • • • • • • • • • • • • • • •
12.3.	A loan must be repaid, together with \blacksquare
Mee	tings and voting
13.1.	The voting strength of each Partner at any meeting of
13.2.	At any meeting of the Partners, the votes attributable to • • • • • • •
13.3.	A general meeting of the Partners
	••.
13.4.	Notices of meetings of the Partnership shall specify • • • • • • • • • • • • • • • • • • •
13.5.	The Partners shall open the proceedings at each meeting by voting for who shall be chairman of
OR	
13.6.	The chairman • • • • • • • • • • • • • • • [• • • •].

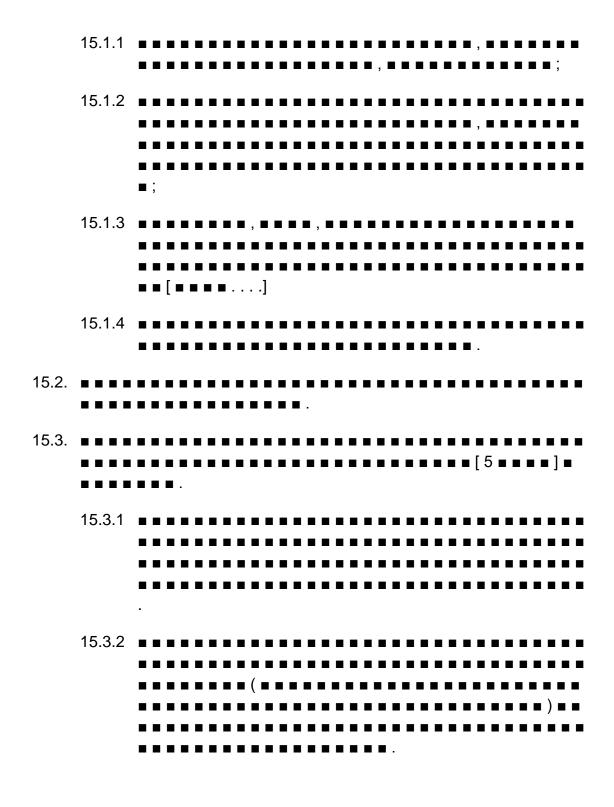
13.7.	by ■ ■	ters considered at a meeting of the Partners or to be determined
	13.7.1	borrowing any sum ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ \$ [00 , 000];
	13.7.2	increasing the capital of the Partnership Business;
	13.7.3	
	13.7.4	increase in or repayment of Partnership capital;
	13.7.5	;
	13.7.6	
	13.7.7	any other amendment to this agreement
13.8.		
40.0	••••	
13.9.		
	■ ■ 50	
13.10		

14. Intellectual Property

14.1.					 •		••	-			- 1			•		•	•	•	•			
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14.2.																						
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	14.2.2										•							•	-			
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		,																				
	14.2.3																					
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14.3.					 									•			•		- 1			
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14.4.					 	•		•	-	•	= 1			•					.	I		
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15. Confidential Information

15.1.



16. Confidentiality of personal information

16.1.

	16.2.												• •	
		16.2.1												
		10.2.1				 		 		 				
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			•••	■ ■ ;										
		16.2.2												
			•••		,									
			•••							•				
	16.3.													
		••••	•••											
	16.4.													
			•••				• • •	 • • •	• • •	 -	-	-	•	
	16.5					 		 		 				
	10.0.	••••												
		••••	•••											
17.	On a	a Parti	ner le	eavi	ng									
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		••••												
	17.1.	••••			•	 	• • •	 • • •	• • •	 -		-	•	
	17 2		•			 		 		 			_	
	17.2.									 			_	
	17.3.					 		 		 				
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	17.3.1										•••	•	
	17.3.2												
	17.3.3								•				
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17.4.	•••												
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17.5.	:::	■,■	 	 							• • •		•
17.6.	•••		 	 	■,■	••							
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17.7.	:::												
	:::												
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4= 6	•••												
17.8.			 	 									
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17.9.			• • • •	•••		• • , •					
Dura	ation a	and tei	rmina	tion							
18.1.	The Pa	rtnership	shall te	erminat	te on:						
	18.1.1	the Terr	mination	Date;	or						
	18.1.2	•••• •••• %•••								■ ■ I [75]
18.2.		••••	• • • •					•••			• •
				•						 	-
18.3.								•••	•••	 	• •
	18.3.1	any unp	oaid prof	fits whi	ch are	due t	o him;				
	18.3.2	his shar	e of the	Partne	ership	capita	ıl;				
	18.3.3	••••						•••		 	
			■,■■								
40.4		••••									
18.4.		••••									
		::::	• • • • • .	•••				•••		 • • •	
18.5.										 	



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21.	Damages not adequate
22.	Counterparts
23.	Miscellaneous matters
	23.1.
	23.2.
	23.3.

23.4.	,
23.5.	
	,
23.6.	
23.7.	
	•
23.8.	
23.0	
20.0.	
23.10)
	It shall be deemed to have been delivered:
	;
	,
	··································

23.11.	,	
23.12.		
23.13.		
23.14		
	ne Partners by way of confirmation	
/ .	[1]	•••••[••••••1]•••
-	n behalf of general partner]	
• • • • • •		
Signed by [r	name, other partner 2]:	Signature:

Signed by [name, other partner 3]: Signature:

Explanatory notes:

Limited partnership agreement

General notes

1.	This document is to create a limited partnership. That is different from a normal partnership and different from an incorporated limited partnership. It is important that
2.	A limited partnership must be registered in its state with relevant authority. For information on registration of limited
	WA:
	https://www.commerce.wa.gov.au/consumer-protection/fees-and-forms-limited-partnerships
	NSW:
	https://www.service.nsw.gov.au/transaction/register-limited-partnership
	QLD:
	https://www.qld.gov.au/law/laws-regulated-industries-and-accountability/queensland-laws-and-regulations/associations-charities-and-non-for-profits/limited-partnerships/limited-partnership-forms-and-fees
	SA:
	https://www.cbs.sa.gov.au/assets/Assoc-co-op/limited-partnership/Application-for-registration-LP01.pdf
	TAS:
	https://ablis.business.gov.au/service/tas/registration-of-a-limited-partnership-or-an-incorporated-limited-partnership/7349
	VIC:
	https://www.consumer.vic.gov.au/licensing-and-registration/limited-

partnerships/register-a-limited-partnership

3.	Subject to special rules relating to limited partnerships, a partnership agreement is whatever the partners make of it. You can make your own deal. In particular, this agreement is drawn with a view to just a single limited company as general partner. This is not an essential structure. You can just as easily
4.	It is important to include full and detailed provisions, particularly as to termination. Often, it is only when a partner leaves that the value of the agreement is really proved. We therefore advise that you work through a number of different scenarios
5.	The agreement provides written evidence to any third party authority as to your business arrangements. You will have difficulty in persuading the Court or the Australian Taxation Office that you are really in business under different terms than those set out in your agreement.
6.	If you need a new agreement you can provide one by changing this version, with a new date, and signing it afresh. However, do take professional tax advice before you do so, to make sure there are no unfavourable tax repercussions in the event that the Australian
7.	Remember that general partners are personally responsible for the debts of the partnership, and that they are "jointly and severally" responsible. That means that if one partner is unable to pay his share, then so far as any third
8.	Business premises do not have to be partnership property. Frequently one or more of the partners might own business premises in their own name. The property can then be rented to the partnership or the property owner can take money less formally on account

Paragraph specific notes:

Notes numbering refers to paragraph numbers.

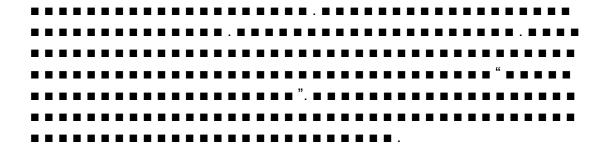
1. Definitions

	If you change a defined word, make sure it applies to every use ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■
	You should first decide on the contents of the document, then return to check
	Definition of Act
	We have provided reference of relevant laws for each state in options. We suggest you to keep the paragraph in related to your state and remove ■ ■ ■
2.	Interpretation
	Leave these items in place unless there is a good reason to edit or remove. Each of these items has been carefully considered
3.	Partnership particulars and structure
	This important paragraph sets out the basic structure so that it is agreed by all partners. We do not know what is your business, but it is likely that the general partner
4.	Partnership shares
	We have no comment
5.	Capital
	Capital - It is normal practice for the partnership capital to be contributed in the same proportions as profits are shared. If different proportions apply, it may be appropriate for interest to be a first charge on the profits. It should be noted that,

ь.	Management of the Business
	The general partner is empowered by these terms.
7.	General Partner's undertaking
	This paragraph provides a medium of control over the general
8.	Restrictions on General Partner
	This paragraph contains most important restrictions
9.	Undertakings by the Director
	Because the general partner is a company, it is not able to act except through a director. It is therefore just as important to the limited partners to ■ ■ ■ ■
	!
10.	Banking arrangements
	We have no comment.
11.	Records and accounts
	We have no comment.
12.	Loans to the Partnership
	This paragraph is an option. If you anticipate a loan situation arising for any reason, include this paragraph now.
13.	Meetings and voting
	Few solicitors include management provisions in a partnership agreement. We
	The partners' meeting is the forum where the

14.	Intellectual Property
	Few business managers appreciate just how much IP is owned by the business.
15.	Confidential Information
	You will need some provision.
16.	Confidentiality of personal information
	Personal information is included and the provisions are strict. The reason is
17.	On a Partner leaving
	A limited partner can be paid out of
	If there is more than one general partner,
18.	Duration and termination
	Termination provisions - tax law treats a continuing partnership differently from dissolution or the start of a new partnership. It is therefore

19.	Indemnity for Partnership
	A basic essential indemnity
20.	Publicity / Announcements
	You may wish to agree the words of
21.	Damages not adequate
	A judge will usually try to award money damages as
22.	Counterparts
	A provision for multiple counterparts means that partners can sign different copies
	••.
23.	Miscellaneous matters
	A number of special points. We have identified each of these as important to
	These are just as valid in
	Dispute resolution: there are many ways to settle a dispute. But an action in court is the least desirable because it



End of notes