

IN-CPptn07

Limited liability partnership agreement: managing partner and investors

Date: [Date]

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This agreement is dated: [date]
It is made between [name]
of [address] ("Mr/s name")
and [name]
of [address] ("Mr/s name")
and [name]
of [address] ("Mr/s name")
and [name]
of [address] ("Mr/s name")

[If more, they may be].

It is now agreed as follows:

1. Definitions

In this agreement, unless the :

"Accounting Date" means [date] each year.

"Accounting Period" means the period of 12 months to which the Partnership

"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

data or information relating to pre-clinical and clinical trial results, processes, formulae, procedures, designs, drawings, apparatus,

information about the Intellectual Property.

it does not include information that it is reasonably necessary to disclose to a customer or other person in the usual course

"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-

"Partner" means a party to this agreement and any other person who is

"Partnership" means the Limited Liability Partnership of [\[name\]](#).

“Partnership Business” means any business

“Managing Partner” means a Partner who

2. Interpretation

This agreement

2.1. A reference to one gender shall include any or

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. Entire agreement

3.1. This agreement contains the entire

3.2. Each Partner acknowledges that, in entering into this agreement,

4. Partnership name and location

4.1. The registered name []
].

4.2. The registered place :
[insert]

4.3. The Partnership is a limited liability partnership.

4.4. The Managing Partner shall be [name].

4.5. The Business []
]

OR

4.6. The Partnership has been

5. Designated Partners

In accordance with the requirements
2008 , :

[name]

and

[name]

who shall be jointly responsible

6. Partnership property

- 6.1. All the assets
- 6.2. The business premises of the Partnership are owned by the Partnership. The cost of all

7. Partnership capital

- 7.1. The capital of the Partnership
- 7.2. The Partners shall share
- 7.3. Profit shall be apportioned
 - 7.3.1 changes in the capital contributed by a Partner;
 - 7.3.2 the admission of a new partner;
 - 7.3.3 the departure of a Partner.
- 7.4. At each Accounting Date, an account shall be
- 12
- 7.5. For the avoidance of doubt, the capital account of a
- 7.6. A Partner may draw from the Partnership Business, part

8. Management and representation

8.1. The Partnership will be managed and

,
;

8.2. The Managing Partner shall

.

8.3. All of the operating expenses of the Partnership Business and paid

,

.

8.4. The following expenses shall remain expenses of the Partnership

:

8.4.1 expenses incurred in

;

8.4.2 expenses incurred

;

8.4.3 currency conversion costs;

8.4.4 currency conversion losses;

8.4.5 any other

.

8.5. The Managing Partner

:

8.5.1 keep proper books of account;

8.5.2 prepare a profit and loss

;

8.5.3 carry on the business efficiently;

8.5.4 maintain insurances appropriate

;

8.5.5 deal at all times and

;

8.5.6 keep accurate accounts and records of

;

8.5.7 deliver to a Partner as promptly as reasonably

.

9. Managing Partner's powers

The Managing Partner

:

9.1. the address of the Partnership Business;

9.2. admission of a new partner;

9.3. expulsion of a Partner;

9.4. changes to this agreement, subject to the written consent

[75] % (

)

;

9.5. the entire management of the Partnership Business including every decision as to

,

;

9.6. management of the

,

;

9.7. winding-up the Partnership when it

;

,

.

10. Managing Partner's management fees

10.1. On the last day of March, June, September

,

.

10.2. Management fees will be

:

10.3. Forthwith at the end of [] %

AND

10.4. Annually, a performance fee being a sum equal to [amount] % of the total profit for

OR

10.5. In this paragraph, "Hurdle Rate" means the average rate of return which could be 3 -

AND

10.6. Annually, a performance fee being a sum [25] %

10.7. If a Partner dies or sells his holding, then the performance fee

[]

10.8. If during any full financial year, the total return allocated to a

11. Loans to the Partnership

11.1. If a Partner, with the consent of the other Partners, lends a sum of money to the Partnership in excess

[5] %

11.2. The sum loaned shall not be deemed to be

11.3. A loan must be repaid, together with accrued
[6]

12. Intellectual Property

12.1.

12.2.

12.2.1

12.2.2

12.2.3

12.3.

12.4.

13. Confidential Information

13.1.

,
,
,
,
:

13.1.1

13.1.2

13.1.3

[. . .]

13.1.4

13.2.

13.3.

[5]

13.3.1

13.3.2

()

14. Confidentiality of personal information

14.1. , “ ” ,
“ ” ’ ’
’

14.2. :
:

14.2.1
’
;

14.2.2 , , -
’
.

14.3.
.

14.4.
.

14.5. []
.

15. Continuation of Partnership

:

15.1. ;

15.2. .

16. Termination of the Partnership

16.1.

16.2.

16.3.

16.3.1 any unpaid profits which are due to him;

16.3.2 his share of the Partnership capital;

16.3.3

16.4.

17. After termination

17.1.

17.2.

17.3.

17.4.

17.5.

18. Publicity / Announcements

18.1.

OR

18.2. No Partner shall:

18.2.1 make any public announcement; or

18.2.2 disclose any information; or

18.2.3

18.3.

19. Damages not adequate

20. Counterparts

21. Miscellaneous matters

21.1.

21.2.

21.3.

21.4.

21.5.

21.6.

21.7.

21.8.

21.9.

21.10.

It shall be deemed to have been delivered:

;

72 ;

24 ;

- : 24

.[

]

21.11.

21.12.

21.13.

21.14.

21.15.

Signed by the Partners by way of confirmation

Signed by [name]:

Signature:

Signed by [name]:

Signature:

Signed by [name]:

Signature:

Signed by [name]:

Explanatory notes:

Limited liability partnership agreement: managing partner and investors

Drafting notes

1. Definitions

The purpose of the definitions in this document is largely to restrict broad terms to specific, and usually narrower, meanings. The extent of the definition of confidential information will depend on the business you intend to run.

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 in the context of this agreement and has been included for a purpose.

3. Entire agreement

This paragraph prevents a party from later saying he was relying on some other document or what

4. Partnership name and location

This information is obvious and may change. But it is a good idea to include it to make clear for all

5. Designated partners

There must be at least one person who is personally liable for the statutory

6. Partnership property

If the partnership has property, it is important to consider tax implications of ownership. However, an owner may charge a rent. An owner will real the advantage of any inflationary value increase.

7. Partnership Capital

You may decide on some other arrangement here. In practice, if you are looking for entrants to

8. Management and representation

We have provided a menu of items which are designed to provide the power the manager needs so as to be able to do

9. Managing Partner's powers

The managing Partner will need a framework of power. Here is a list of matters which, without this provision, would almost certainly require the permission of

10. Managing Partner's management fees

We can suggest no more than a simple outline here.

11. Loans to the Partnership

Basic, sensible provisions. Edit if you wish

12. Intellectual Property

Few businesses are not heavily reliant on their intellectual property but few business managers appreciate just how much IP is owned by their business. Of course, IP covers

We have provided far greater protection of the IP rights of the partnership than you might expect. Our argument is that a

However, this agreement has been drawn for a wide variety of businesses. Only you can estimate just what

13. Confidential Information

We suggest you start first with the definition of confidential information, given in paragraph 1. We have carefully defined confidential information to refer only

14. Confidentiality of personal information

Personal information is included and the provisions are strict. The reason is

15. Continuation of Partnership

The basic law is that when

16. Termination of the Partnership

Clear and

17. After termination

More common sense

18. Publicity / Announcements

You may wish to agree the words of

19. Damages not adequate

A judge will usually try to award money damages as

20. Counterparts

This paragraph may be required if your partners

21. Miscellaneous matters

A number of special points. We have identified each of these as

Signatures

This agreement requires no witness to a signature.

End of notes