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This template is for a general partnership. It is not an LLC operating agreement, and it does not create a limited partnership or limited liability partnership. In a general partnership, partners can be personally liable for the business's debts.

GENERAL PARTNERSHIP AGREEMENT

Effective date: [date]

This agreement is between:

Partner 1: [full legal name], of [address]

Partner 2: [full legal name], of [address]

[Add more partners as needed.]

(each a "Partner", together the "Partners").

1. The partnership

The Partners form a general partnership under the law of [State].

Name: [partnership name]

Business purpose: [what the business does, and any related lawful business the Partners agree on]

Principal place of business: [address]

Start date: [date]. The partnership continues until it is dissolved under section 12.

2. Capital contributions

Each Partner will contribute the following by [date]:

Partner	Contribution (cash, property or services)	Agreed value
[Partner 1]	[description]	[\$ amount]
[Partner 2]	[description]	[\$ amount]

No Partner has to contribute more unless all Partners agree in writing. No interest is paid on contributions. A separate capital account will be kept for each Partner.

3. Profits and losses

Profits and losses are shared as follows:

- Partner 1, [name]: [percentage]%
- Partner 2, [name]: [percentage]%

4. Draws and pay

Partners may take draws against their share of profits ☐ monthly ☐ quarterly ☐ as agreed by all Partners, as long as the business keeps enough cash to pay its bills. Partners are not employees and do not receive a salary unless all Partners agree in writing to a fixed payment amount.

5. Management and decisions

Each Partner has an equal say in managing the business ☐ / Votes are weighted by profit percentage ☐.

Any Partner may make ordinary day-to-day decisions and sign ordinary contracts up to [\$ amount].

These decisions need the written agreement of ☐ all Partners ☐ Partners holding [percentage]% of the votes:

- borrowing money or signing any contract over [\$ amount];
- buying, selling or leasing real estate or major assets;
- admitting a new Partner;
- changing the business purpose or name;
- selling the business or merging it with another; and
- changing this agreement.

6. Duties and time

Each Partner will devote about [number] hours per week to the business and act in good faith and in the partnership's best interest.

Outside business: ☐ Partners may run other businesses that do not compete with the partnership. ☐ Partners must get the other Partners' written consent before running any other business.

No Partner may use partnership money or property for personal purposes.

7. Bank account, books and records

The partnership will keep its own bank account at [bank name]. Withdrawals over [\$ amount] need the approval of [number] Partners.

The partnership will keep complete books and records, which every Partner may inspect at any reasonable time. [Partner name] will handle the partnership's tax filings, and each Partner will receive the tax information they need for their own returns.

8. New partners

A new Partner may join only with the agreement required in section 5 and must sign this agreement (or an amendment to it).

9. Leaving the partnership

A Partner may leave by giving the other Partners at least [number] days' written notice.

A Partner is also treated as having left if they die, become permanently unable to take part in the business, or go bankrupt.

10. Buyout

When a Partner leaves, the remaining Partners may ☐ buy the leaving Partner's interest ☐ choose to dissolve the partnership.

The value of the leaving Partner's interest will be ☐ their capital account balance ☐ their percentage of the business's fair market value as set by an independent appraiser the Partners agree on ☐ [other method].

The buyout price will be paid ☐ in full within [number] days ☐ in [number] equal installments over [number] months, with interest at [rate]% a year.

The leaving Partner remains responsible for their share of partnership debts incurred while they were a Partner, and the remaining Partners will use reasonable efforts to have the leaving Partner released from those debts.

11. Disputes

If the Partners disagree, they will first try to resolve it by talking in good faith for at least [number] days. If that fails, they will try mediation with a mediator they agree on, sharing the cost equally, before going to court.

12. Dissolution

The partnership will end if all Partners agree in writing, if only one Partner remains and chooses not to continue, or as required by law.

On dissolution, the Partners will wind up the business, sell or distribute its assets, and use the money in this order: pay the partnership's debts (including any owed to Partners other than capital), return each Partner's capital account balance, and split anything left according to section 3.

13. General terms

Notices. Notices must be in writing and sent to each Partner's address above (or a new address given in writing), by mail, hand delivery or email.

Entire agreement. This is the whole agreement between the Partners about the partnership.

Amendments. Changes must be in writing and signed by all Partners.

Governing law. The law of [State] governs this agreement.

Severability. If any part of this agreement is found unenforceable, the rest stays in effect.

Electronic signatures and counterparts. The parties agree this agreement may be signed electronically and in counterparts, and an electronic signature has the same effect as a handwritten one.

Signatures

Partner 1

Signature: _____

Name: [full name]

Date: [date]

Partner 2

Signature: _____

Name: [full name]

Date: [date]