

PARTNERSHIP DEED

THIS INSTRUMENT OF PARTNERSHIP IS ENTERED INTO
ON DATE
BY AND BETWEEN:

1st PARTY of the following address: _____

AND

2nd PARTY _____ of the following address: _____

(referred to herein as "Partners" or individually as "Partner")

WHEREAS:

A. The Partners intend to work together as partners to carry on the business of:

OBJECT OF BUSINESS

B. The Partners desire to enter into this Deed to regulate their relationship and reduce the terms and conditions governing their partnership and other matters related there to into writing.

C. This Deed sets out the terms and conditions that govern the relationship between the Partners, and the Partners each respectively agree to be bound by the terms of this Deed.

(1) DEFINITIONS

In this Deed, the following definitions apply:

"Deed" means this partnership agreement.

"Annual Report" in respect of a particular financial year refers to the annual report of the Firm, created in accordance with the "Firm Annual Report" clause of this Deed.

"Capital Account" in relation to a Partner means an individual capital account into which that Partner's initial Capital Contribution, and any additional Capital

Contributions made by that Partner, are credited.

"*Capital Contribution*" refers to the initial contribution of capital, whether in cash, property, goods or services, that each Partner respectively provides to the Firm.

"*Dissolution Distribution*" means the manner in which any assets or liabilities of the Firm are distributed between the Partners upon dissolution of the Firm, as described in the "Dissolution" clause of this Deed.

"*Firm*" refers to the partnership which is created under this Deed.

"*Goods and Services Tax*" means Goods and Services Tax imposed on a supply of goods or services in India, pursuant to the GST Law.

"*GST Law*" means the Goods and Services Act, 2017.

"*Managing Partner*" means the Partner who is appointed to the position in the Firm as the Managing Partner in accordance with the "Management" clause of this Deed, or any person subsequently appointed to that role.

"*Partner*" refers individually to each of the partners named in this Deed.

"*Partners*" refers to any two or more of the partners named in this Deed.

"*Profit and Loss Distribution*" means the method by which profits and losses of the Firm are distributed between the Partners, as described in the "Profit and Loss" clause of this Deed.

(2) INTERPRETATION

In this Deed, unless the context otherwise requires, the following rules of interpretation shall apply:

- (a) Words referring to one gender include every other gender.
- (b) Words referring to a singular number include the plural, and words referring to a plural include the singular.
- (c) Words referring to a person or persons include companies, firms, corporations, organizations and vice versa.

(d) Any obligation on a Party not to do something includes an obligation not to allow that thing to be done.

(e) Headings and titles are included in this Deed for convenience only and shall not affect the interpretation of this Deed.

(f) Each Party must, at its own expense, take all reasonable steps and do all that is reasonably necessary to give full effect to this Deed and the events contemplated by it.

(g) A reference to legislation or any part or provision of that legislation includes any subordinate legislation, any amended legislation, and any substituted legislation issued under that legislation.

(h) A reference to an agreement or document is a reference to that agreement or document as amended, replaced, supplemented or novated from time to time.

(3) NAME OF PARTNERSHIP

The name of the partnership firm shall be _____ (herein referred to as "**Firm**").

(4) PURPOSE OF PARTNERSHIP

The Firm is established for the following purpose:

The Firm may also carry out such other lawful business as may be determined by the Partners from time to time. The Firm shall have the power, in fulfilling the objectives set forth in this Clause, to conduct any business or take any action which is lawful and which is not prohibited by the Indian Partnership Act, 1932.

(5) PRINCIPAL PLACE OF BUSINESS OF PARTNERSHIP

The Firm will operate from such location(s) as the Partners determine from time to time.

(6) COMMENCEMENT DATE AND TERM OF PARTNERSHIP

(a) The Firm will commence on _____.

(b) The Firm will continue until it is terminated by law or in accordance with this Deed.

(7) CAPITAL CONTRIBUTIONS

(a) Each of the Partners has contributed to the capital of the Firm, in cash, property, goods or services in agreed upon value, as follows (the "**Capital Contribution**"):

(I) _____ -- Rs. _____ (_____)

(II) _____ -- Rs. _____ (_____)

(b) All contributions will be submitted fully and on time, no later than _____.

(c) All capital contributions are final unless all partners give written consent of withdrawal.

(8) INTEREST ON CAPITAL

No Partner will be entitled to any loan interest or other borrowing charge on any capital which the Partner contributes to the Firm.

(9) CAPITAL WITHDRAWALS

Capital may only be withdrawn from the Firm:

(a) in accordance with this Deed; or

(b) if all Partners provide their express consent to such withdrawal; or

(c) as otherwise required by law.

(10) ADDITIONAL CAPITAL

(a) Capital contributions may be amended from time to time, according to the requirements of the Firm provided that the interests of the Partners are not affected, except with the unanimous consent of the Partners. No Partner will be required to

make additional capital contributions. Whenever additional capital is determined to be required, the same shall be provided by all the Partners pursuant to mutual agreement and on mutually agreed terms. When an individual Partner is unwilling or unable to meet the additional contribution requirement within a reasonable period, as required by Firm business obligations, remaining Partners may contribute in proportion to their existing capital contributions to resolve the amount in default. In such case, the allocation of profits or losses among all the Partners will be adjusted to reflect the aggregate change in capital contributions by the Partners.

(b) Any advance of money to the Firm by any Partner in excess of the amounts provided for in this Deed or subsequently agreed to as additional capital contribution will be deemed a debt owed by the Firm and not an increase in capital contribution of the Partner. This liability will be repaid with interest at rates and times to be determined by a majority of the Partners within the limits of what is required or permitted under applicable laws. This liability will not entitle the lending Partner to any increased share of the Firm's profits nor to a greater voting power. Such debts may have preference or priority over any other payments to Partners as may be determined by a majority of the Partners. The interest so paid or payable shall be treated as a common item of business expenditure of the Firm while dividing the net profits or losses among the Partners.

(11) FINANCIAL DECISIONS

Decisions regarding the distribution of profits, allocation of losses, and the requirement for additional capital contributions as well as all other financial matters will be decided by a unanimous vote of the Partners.

(12) INTEREST AND AUTHORITY

(a) The Partners' ownership interest in the Firm will be as follows:

(I) _____ -- _____% (_____ percent)

(II) _____ -- _____% (_____ percent)

(13) PROFIT AND LOSS

(a) Subject to the other provisions of this Deed, the net profits and losses of the Firm (as per the accounts maintained by the Partners and as per the profits ascertained after

deduction of all direct and indirect expenses relating to the business(es) of the Firm including rent, salaries and other establishment expenses as well as interest on loans) for both accounting and tax purposes, will accrue to and be borne by the Partners in equal shares (the "Profit and Loss Distribution").

(b) The profits and losses will be accounted by a to be determined accountant for the Firm.

(c) The profits and losses will be distributed to the partners using the above Profit and Loss Distribution method weekly and will be paid on the Monday of each week.

(d) Each Partner will be responsible for their own taxes on any distribution made.

(14) ACCOUNTING

(a) Accurate and complete books of account of the transactions of the Firm will be kept in accordance with Indian generally accepted accounting principles (GAAP) and at all reasonable times will be available and open to inspection and examination by any Partner. The books and records of the Firm will reflect all the Firm's transactions and will be appropriate and adequate for the business conducted by the Firm.

(b) The accounts of the Firm shall be maintained on a mercantile basis.

(15) PARTNERSHIP ANNUAL REPORT

(a) The Partners must ensure that as soon as reasonably practicable after the end of each financial year during the Term of the Firm, the Firm prepares an annual report ("**the Annual Report**"), which may include:

(I) a statement of all information as will be necessary for the preparation of each Partner's income or other tax returns;

(II) a copy of any tax returns filed on behalf of the Firm for that financial year;

(III) supporting income statements;

(IV) a balance sheet;

(V) a cash flow statement;

- (VI) a breakdown of the profit and loss attributable to each Partner; and
 - (VII) any additional information that one or more Partners may reasonably require.
 - (VIII) The specific contents of the Annual Report shall be discussed and mutually agreed between the Partners.
- (b) The Firm must provide a copy of the Annual Report to each Partner.

(16) BANKING AND PARTNERSHIP FUNDS

The funds of the Firm will be placed in such investments and banking accounts as will be designated by the Partners. All withdrawals from these bank accounts will be made by the duly authorized agent or agents of the Partners as agreed by unanimous vote of the Partners. Firm funds will be held in the name of the Firm and will not be commingled with those of any other person or entity.

(17) PARTNERSHIP FINANCIAL YEAR

The financial year of the Firm will end on March 31 each year.

(18) VOTING

In any vote required by the Firm, the vote cast by each Partner will be assessed where each Partner receives one vote carrying equal weight.

(19) AUDIT

- (a) The Parties agree to appoint an independent accounting firm to serve as auditor of the Firm ("Auditor"). The internal audit of the Firm shall be executed as provided by generally accepted accounting standards and principles in India and in accordance with international standards.
- (b) All accounts related to the Firm including contribution and distribution accounts will be audited weekly.

(c) Any of the Partners will have the right to request an audit of the Firm books. The cost of the audit will be borne by the Firm. The audit will be performed by an accounting firm acceptable to all the Partners.

(20) MANAGEMENT

(a) All the Partners will be consulted and the advice and opinions of the Partners will be obtained as much as is practicable. However, the Managing Partner will have management and control of the day-to-day business of the Firm for the purposes stated in this Deed. All matters outside the day-to-day business of the Firm will be decided by a unanimous vote of the Partners.

(b) The following Partner will serve as the Managing Partner: _____. The term "Managing Partner" will also include any Party subsequently appointed to that role.

(c) In addition to day-to-day management tasks, the Managing Partner's duties will include keeping, or causing to be kept, full and accurate business records for the Firm according to generally accepted accounting principles (GAAP) and overseeing the preparation of any reports considered reasonably necessary to keep the Partners informed of the business performance of the Firm.

(d) A Managing Partner can voluntarily withdraw from the position of Managing Partner or can be replaced by a unanimous vote of remaining Partners. In the event of a withdrawal or removal of the Managing Partner from the position of Managing Partner or from the Firm, the remaining Partners will have equal rights in the management of the Firm until and unless they appoint a successor Managing Partner.

(e) The Managing Partner will not be liable to the remaining Partners for any action or failure to act resulting in loss or harm to the Firm except in the case of gross negligence or willful misconduct.

(f) The Managing Partner is authorized and may retain, or otherwise secure or enter into contracts with persons or firms as from time to time may be required in the management of the Firm's business including, but not limited to, arrangements with sales companies, lawyers, accountants, brokers, advertising, and insurance companies.

(21) COMPENSATION FOR SERVICES PERFORMED

Partners may be compensated for services actually performed as from time to time may be agreed by unanimous vote of the Partners.

(22) MEETINGS

(a) Regular meetings of the Partners will be held weekly.

(b) Any Partner can call a special meeting to resolve issues that require a vote, as indicated by this Deed, by providing all Partners with reasonable notice. In the case of a special vote, the meeting will be restricted to the specific purpose for which the meeting was held.

(c) All meetings will be held at a time and in a location, that is reasonable, convenient, and practical considering the situation of all Partners.

(23) ADMITTING A NEW PARTNER

(a) A new Partner may be admitted to the Firm with a majority vote of the existing Partners.

(b) Any new Partner agrees to be bound by all the covenants, terms, and conditions of this Deed, inclusive of all current and future amendments. Further, a new Partner will execute such documents as are needed to effect the admission of the new Partner. Any new Partner will receive such business interest in the Firm as determined by a unanimous decision of the other Partners.

(24) VOLUNTARY WITHDRAWAL OF A PARTNER

(a) Any Partner will have the right to voluntarily withdraw from the Firm at any time by serving the following amount of written notice to the remaining Partners: _____.

(b) The voluntary withdrawal of a Partner will result in the dissolution of the Firm.

(c) A Dissociated Partner will only exercise the right to withdraw in good faith and will act to minimize any present or future harm done to the remaining Partners as a result of the withdrawal.

(25) INVOLUNTARY WITHDRAWAL OF A PARTNER

(a) Events resulting in the involuntary withdrawal of a Partner from the Firm will include but not be limited to: death of a Partner; Partner mental incapacity; Partner disability preventing reasonable participation in the Firm; Partner incompetence; breach of fiduciary duties by a Partner; criminal conviction of a Partner; Expulsion of a Partner; Operation of Law against a Partner; or any act or omission of a Partner that can reasonably be expected to bring the business or societal reputation of the Firm into disrepute.

(b) The involuntary withdrawal of a Partner will result in the dissolution of the Firm.

(c) A trustee in bankruptcy or similar third party who may acquire that Dissociated Partner's interest in the Firm will only acquire that Partner's economic rights and interests and will not acquire any other rights of that Partner or be admitted as a Partner of the Firm or have the right to exercise any management or voting interests.

(26) DISSOCIATION OF PARTNER

(a) Where the dissociation of a Partner for any reason results in the dissolution of the Firm, then the Firm will proceed in a reasonable and timely manner to dissolve the Firm, with all debts being paid first, prior to any distribution of the remaining funds. Valuation and distribution will be determined as described in the Valuation of Interest section of this Deed.

(b) The remaining Partners retain the right to seek damages from a Dissociated Partner where the dissociation resulted from a malicious or criminal act by the Dissociated Partner or where the Dissociated Partner had breached their fiduciary duty to the Firm or was in breach of this Deed or had acted in a way that could reasonably be foreseen to bring harm or damage to the Firm or the reputation of the Firm.

(27) DISSOLUTION

(a) Except as otherwise provided in this Deed, the Firm may be dissolved only with a majority vote of all the Partners.

(b) In the event of the dissolution of the Firm, each Partner will share in any remaining assets or liabilities of the Firm equally (the "Dissolution Distribution").

(c) Upon dissolution of the Firm and liquidation of Firm property, and after payment of all selling costs and expenses, the liquidator will distribute the Firm assets to the following groups according to the following order of priority:

(I) In satisfaction of liabilities to creditors except Firm obligations to current Partners;

(II) In satisfaction of Firm debt obligations to current Partners; and then

(III) To the Partners according to the Dissolution Distribution described above.

(d) The claims of each priority group will be satisfied in full before satisfying any claims of a lower priority group. Any excess of Firm assets after liabilities or any insufficiency in Firm assets in resolving liabilities under this section will be shared by the Partners according to the Dissolution Distribution described above.

(28) VALUATION OF INTEREST

(a) In the absence of a written agreement setting a value, the value of the Firm will be based on the fair market value appraisal of all Firm assets (less liabilities) determined in accordance with generally accepted accounting principles (GAAP). This appraisal will be conducted by an independent accounting firm agreed to by all Partners. An appraiser will be appointed within a reasonable period of the date of withdrawal or dissolution. The results of the appraisal will be binding on all Partners. A withdrawing Partner's interest will be based on that Partner's proportion of the Dissolution Distribution described above, less any outstanding liabilities the withdrawing Partner may have to the Firm. The intent of this section is to ensure the survival of the Firm despite the withdrawal of any individual Partner.

(b) No allowance will be made for goodwill, trade name, patents or other intangible assets, except where those assets have been reflected on the Firm books immediately prior to valuation.

(29) GOODWILL

The goodwill of the Firm will be assessed at an amount to be determined by appraisal using generally accepted accounting principles (GAAP).

(30) BORROWINGS

Loans from banks, financial institutions, financing companies or third parties, for the financial requirements of the Firm, over and above the contributions made by the Partners, shall be obtained only after obtaining written approval of majority of the existing Partners.

(31) THE PARTNERSHIP

In regard to matters not specifically provided for in these presents, the Partners hereto hereby agree to abide by the provisions of the Indian Partnership Act, 1932. The Partners shall procure registration of the Firm as per the provisions of the Indian Partnership Act, 1932.

(32) TITLE TO PARTNERSHIP PROPERTY

Title to all Firm property will remain in the name of the Firm. No Partner or group of Partners will have any ownership interest in such Firm property in whole or in part.

(33) FORCE MAJEURE

A Partner will be free of liability to the Firm where the Partner is prevented from executing their obligations under this Deed in whole or in part due to force majeure, such as earthquake, typhoon, flood, fire, and war or any other unforeseen and uncontrollable event where the Partner has communicated the circumstance of said event to any and all other Partners and taken any and all appropriate action to mitigate said event.

(34) DUTIES OF PARTNERS

(a) No Partner will engage in any business, venture, or transaction, whether directly or indirectly, that might be competitive with the business of the Firm or that would be in direct conflict of interest to the Firm without the unanimous written consent of the remaining Partners.

(b) Each Partner hereby acknowledges and agrees that any and all business, ventures, or transactions with any appearance of conflict of interest must be fully disclosed to all other Partners.

(c) Each Partner hereby acknowledges and agrees that a failure to comply with any of the terms of this clause will be deemed an Involuntary Withdrawal of the offending Partner and may be treated accordingly by the remaining Partners.

(a) Each Partner hereby agrees to be candid and faithful to all other Partners and to provide all other Partners with all relevant information that relates to the Firm.

(a) Each Partner hereby agrees to provide all other Partners with all necessary assistance in carrying on the Firm's business, for the mutual benefit of all Partners.

(a) Each Partner must account to the Firm for any benefit derived by that Partner without the consent of the other Partners from any transaction concerning the Firm or any use by that Partner of the Firm property, name, or business connection. This duty continues to apply to any transactions undertaken after the Firm has been dissolved but before the affairs of the Firm have been completely wound up by the surviving Partner or Partners or their Agent or Agents.

(a) Each Partner will devote such time and attention to the business of the Firm as the majority of the Partners will from time to time reasonably determine for the conduct of the Firm business.

(a) Each Partner must at all times punctually pay when due and discharge all of his or her own private debts.

(a) In the event that a Partner receives money on behalf of the Firm, that Partner must immediately deposit such money with the Firm (for example, into the Firm's nominated bank account, investment account or such other account as is nominated by the Firm).

(b) Each Partner hereby indemnifies and keeps indemnified each other Partner in respect of any and all losses, damage, costs, expenses and liabilities which may arise from a breach of this clause.

(35) PROHIBITED ACTS

(a) No Partner may do any act in contravention of this Deed.

(b) No Partner may permit, intentionally or unintentionally, the assignment of express, implied, or apparent authority to a third party that is not a Partner in the Firm.

(c) No Partner may mortgage, assign, encumber or charge that Partner's interest in the Firm (or in any property, assets or business of the Firm) without the prior written consent of the other Partners.

(d) No Partner may do any act that would make it impossible to carry on the ordinary business of the Firm.

- (e) No Partner may confess a judgment against the Firm.
- (f) No Partner may disclose to any person, or use in any way, any confidential information of the Firm or of the business of the Firm, except for in the course of conducting the business of the Firm.
- (g) No Partner will have the right or authority to bind or obligate the Firm to any extent with regard to any matter outside of the intended purpose of the Firm.
- (h) No Partner may appoint or dismiss any employees, contractors or agents except with the prior written consent of the other Partners.
- (i) No Partner may lend any of the Firm's money, or provide credit on behalf of the Firm, without the prior written consent of the other Partners.
- (j) No Partner may give any security or promise for the payment of money by the Firm, except in the ordinary course of the Firm business or with the prior written consent of the other Partners.
- (k) Any violation of the above Prohibited Acts will be deemed an involuntary withdrawal of the offending Partner and may be treated accordingly by the remaining Partners.
- (l) The Partners each hereby indemnify each other, and keep each other indemnified, in respect of any and all losses, damage, costs, expenses and liabilities which may arise from a breach of this "Prohibited Acts" clause.

(36) INDEMNIFICATION

All Partners will be indemnified and held harmless by the Firm from and against any and all claims of any nature whatsoever, arising out of a Partner's participation in Firm affairs. A Partner will not be entitled to indemnification under this section for liability arising out of gross negligence or willful misconduct of the Partner or the breach by the Partner of any provision of this Deed.

(37) LIABILITY

A Partner will not be liable to the Firm, or to any other Partner, for any mistake or error in judgment or for any act or omission done in good faith and believed to be within the scope of authority conferred or implied by this Deed or the Firm.

(38) LIABILITY INSURANCE

(a) The Firm may acquire insurance on behalf of any Partner, employee, agent, or other person engaged in the business interest of the Firm against any liability asserted against them or incurred by them while acting in good faith on behalf of the Firm. This may include but is not limited to:

(I) Professional liability insurance; and

(II) Public liability insurance; and

(III) Workers' compensation insurance.

(39) WAIVER

(a) The waiver by either Party of any right or remedy in relation to a breach, default, delay or omission by the other Party of any provision or provisions of this Deed will not be construed as a waiver of any subsequent breach of the same or other provisions of this Deed.

(b) The failure or delay by either Party in exercising any right or remedy under this Deed will not constitute a waiver of that right or remedy, nor will it prevent or impair that Party from subsequently exercising that right or remedy.

(c) Any rights or remedies provided in this Deed are cumulative and are in addition to any rights or remedies provided by law.

(40) CURRENCY

Any amounts of money described in this Deed are in Indian Rupees unless specifically stated otherwise.

(41) GOODS AND SERVICES TAX

Any amounts of money described in this Deed are inclusive of Goods and Services Tax (if applicable) unless specifically stated otherwise.

(42) MISCELLANEOUS

(a) This Deed may be executed in counterparts.

(b) This Deed contains the entire agreement between the Parties. All negotiations and understandings have been included in this Deed. Statements or representations which may have been made by any Party to this Deed in the negotiation stages of this Deed may in some way be inconsistent with this final written Deed. All such statements are declared to be of no value in this Deed. Only the written terms of this Deed will bind the Parties.

(c) This Deed and the terms and conditions contained in this Deed apply to and are binding upon the Partner's successors, assigns, executors, administrators, beneficiaries, and representatives.

(d) This Deed may not be amended in whole or in part without the unanimous written consent of all Partners.

(e) Any notice to be given under this Deed shall be in writing and shall be sent by first class mail or air mail to the address of the relevant Party set out at the head of this Deed. Notices sent as above shall be deemed to have been received 3 working days after the day of posting (in the case of inland first class mail), or 7 working days after the date of posting (in the case of air mail). In proving the giving of a notice it shall be sufficient to prove that the notice was left, or that the envelope containing the notice was properly addressed and posted, as the case may be.

(43) AMENDMENTS

Any change, alteration, amendment, or modification to this Deed must be in writing and signed by all the Partners.

(44) DISPUTE RESOLUTION

Any dispute(s) arising out of this Deed shall, as far as possible, be settled amicably between the Parties hereto failing which the following shall apply:

The courts in _____ shall have exclusive jurisdiction over any dispute, differences or claims arising out of this Deed.

(a) If either Party employs attorneys to enforce any rights arising out of or relating to this Deed, the prevailing Party shall be entitled to recover reasonable costs and attorneys' fees.

(45) ANNOUNCEMENTS

A Party shall not make any news releases, public announcements, give interviews, issue or publish advertisements or publicize in any other manner whatsoever in connection with this Deed, the contents / provisions thereof, other information relating to this Deed, the Confidential Information or other matter of this Deed, without the prior written approval of the other Party.

(46) NOTICES

(a) Except as otherwise specified in this Deed, all notices, requests, consents, approvals, agreements, authorizations, acknowledgements, waivers and other communications required or permitted under this Deed shall be in writing and shall be deemed given when sent to the address specified in the title clause to this Deed.

(b) Either Party may change its address for notification purposes by giving the other Party 10 (ten) days' notice of the new address and the date upon which it will become effective.

(47) GOVERNING LAW

This Deed and all issues arising out of the same shall be construed in accordance with the laws of India.

EXECUTED AS AN AGREEMENT this _____.

Signed by _____:

In the presence of:

Witness Signature

Witness Name

Witness Address

Signed by _____:

In the presence of:

Witness Signature

Witness Name

Witness Address