

Law Firm Partnership Agreement

PREVIEW

1. This form may used for a law firm that is a general partnership.

**NOTICE:
THIS AGREEMENT, IS SUBJECT TO ARBITRATION
IN ACCORDANCE WITH TEXAS LAW.**

This Partnership Agreement is made and entered into on _____, by and between [name], and [name].

The partners are licensed to practice law in Texas, and desire to form a partnership for conducting the general practice of law.

PLEASE DO NOT COPY

In consideration of the mutual covenants contained in this agreement, the partners agree as follows:

1. NAME AND PURPOSE

1.1 The partnership will be known as [name of partnership]. If a partner withdraws or is expelled from the partnership, then the name of such partner will be deleted from the partnership name.

1.2 The partnership may continue to use the name of a deceased or retired partner, but no compensation will be paid for the use of such name.

THIS DOCUMENT

1.3 The partnership is established for the purpose of engaging in the practice of law, and in such other practices or endeavors as are associated directly with the practice of law.

2. PRINCIPAL PLACE OF BUSINESS

2.1 The principal place of business of the partnership will be [address], City of _____, County of _____, State of Texas.

2.2 The place of business may be changed or additional places of businesses formed at any time by agreement of the partners.

THANK YOU

3. TERM

3.1 The partnership will commence on [date], and continue for a period of _____ years, unless terminated sooner as provided in Section 12.

4. CAPITAL CONTRIBUTIONS

LegalFormsForTexas.Com

4.1 The capital of the partnership will consist of the contributions made by the partners as set forth below:

PREVIEW

Name of Partner	Contribution
_____	_____
_____	_____
_____	_____

5. CAPITAL ACCOUNTS AND DRAWING ACCOUNTS

5.1 Each partner will have two accounts:

- a. a capital account and
- b. a drawing account.

PLEASE DO NOT COPY

5.2 Each partner's share of the profits and losses will be credited or debited every month to such partner's drawing account. Credit or debit balances in the drawing account or the capital account will not bear interest.

6. BOOKS AND ACCOUNTING

6.1 The partnership will maintain a complete and accurate set of books relating to all receipts and expenditures.

6.2 Monthly and annual operating statements will be prepared and distributed to the partners as promptly as possible.

THIS DOCUMENT

6.3 The books will be maintained on a [designate accounting basis such as: fiscal year or calendar year] basis.

7. EXPENSES

7.1 All expenses incurred by a partner on behalf of the partnership will be reimbursed. The partners will designate by agreement the particular expenses that are reimbursable and those that are not.

THANK YOU

8. PROFITS AND LOSSES

8.1 The "gross income" of the partnership will consist of:

a. all fees for legal services rendered by any partner or employee of the partnership, and

b. All fees received by any partner or employee for non legal services rendered, such as, but not limited to, fees for serving as a fiduciary or trustee.

LegalFormsForTexas.Com

PREVIEW

8.2 The "net profits" will be determined by deducting all expenses of the partnership from the gross income.

a. The net profits will be distributed to the partners as follows:

Name of Partner	Percentage
_____	_____
_____	_____
_____	_____

8.3 The losses will be borne by the partners in the same proportion as they share in the net profits.

PLEASE DO NOT COPY

a. The partners will contribute their share of the loss within _____ days from their receipt of the monthly or annual operating statement, as the case may be.

b. Failure to make such contribution within the period specified will entitle the partnership to debit the partner's share of the capital.

c. In the event the partner's share of the capital is insufficient to cover [his or her] share of the loss, such partner will become indebted to the partnership for the amount not covered by his or her capital and will execute a negotiable promissory note in favor of the partnership for such amount, payable within _____ days.

THIS DOCUMENT

PARTNERSHIP DECISIONS

9.1 All decisions of the partnership will be made by a vote of the majority of the partners with each partner having one vote.

a. A partner who is not present [may or may not or as the case may be] vote by proxy.

10. TERMINATION OF PARTNER'S INTEREST

10.1 A partner's interest in the partnership will terminate upon the occurrence of any of the following:

THANK YOU

a. Withdrawal or retirement of the partner upon _____ days' written notice to the other partner,

b. Expulsion of the partner by [specify number of votes required] vote of the other partner,

c. Disability of the partner as determined by [specify number of votes] of the other partners,

LegalFormsForTexas.Com

PREVIEW

i. A determination that a partner is disabled will be made only after a period of disability exceeding _____ consecutive days or a total of _____ days within a period of _____ consecutive calendar years, and

d. Death of the partner.

10.2 When a partner's interest in the partnership is terminated, the partnership must pay to the partner, or to such partner's successor in interest, the following:

a. A terminated partner will be paid [his or her] capital account as of the date of termination, such account to be paid within _____ days after such termination.

PLEASE DO NOT COPY
i. In making the determination of the capital account, the assets of the partnership consisting of tangible personal property, such as furniture, fixtures, office equipment, and law books will be valued as agreed upon between the terminated partner or partner's successor in interest and the partnership.

ii. If no agreement can be reached, an appraisal will be made by two disinterested and qualified appraisers, one of whom will be selected and paid for by the terminated partner or his or her successor and one selected and paid for by the partnership.

iii. If the two appraisers cannot agree as to the valuation, they will select a third appraiser, whose compensation will be paid for equally by the terminated partner or partner's successor and the partnership.

THIS DOCUMENT
iv. The average of the three appraisals will be the one used in making the valuation.

b. A terminated partner will share in the accounts receivable of the partnership when collected in the same proportion that the partner shares in the net profits after deducting the cost of collecting such receivables. A terminated partner will not share in income for work in progress.

c. A terminated partner will share in the undistributed net profits of the partnership to be determined as of [specify, such as: The end of the month in which the termination occurred].

THANK YOU

11. CLIENT RECORDS

11.1 All records of clients will be retained by the partnership until received written instructions from the client regarding such records.

12. DISSOLUTION

LegalFormsForTexas.Com

12.1 The partnership may be dissolved by agreement of the partners at any time as decided by the partners

PREVIEW

12.2 In the event of such dissolution, the assets of the partnership will be used first to pay off all outstanding debts and obligations of the partnership, and any remaining balance will be distributed to the partners:

- a. to repay their capital accounts and
- b. to be divided among the partners in proportion to their share of the net profits.

13. UNFINISHED BUSINESS

13.1 The partnership, if dissolved, any unfinished business of the partnership will be finished and wound up by _____ or under [his or her] supervision and direction.

a. [He or She] will be compensated in such amount as shall be agreed upon by the partners and all expenses incurred will be reimbursed by the partnership.

14. NEW PARTNERS

14.1 The admission of any new partner will require the consent of all existing partners.

14.2 The capital contribution of the new partner and the percentage of such partner's interest in the partnership will be determined by the existing partners.

14.3 A new partner must consent to be bound by and sign this agreement upon admission as a partner.

15. ARBITRATION

15.1 All disputed matters among the partners will be submitted to [name of arbitrator], of [address] who will act as arbitrator for the partnership. The partners will be bound by the decision of the arbitrator.

16. AMENDMENTS

16.1 This agreement may be amended at any time as determined by the partners in accordance with Section 9.

Signed on _____.

LegalFormsForTexas.Com

PREVIEW
Partner

PLEASE DO NOT COPY

THIS DOCUMENT

THANK YOU

LegalFormsForTexas.Com