Partnership Agreement UK

Governed by the Partnership Act 1890 · Law of Property (Misc. Provisions) Act 1989
Arbitration Act 1996 · Data Protection Act 2018 / UK GDPR

This Partnership Agreement (the “Agreement”) is made on ____________________ [Date], by and between:

1. ____________________________ of ____ , and

2. ____________________________ of ____ ,

(collectively referred to as “the Partners”), with reference to the Partnership Act 1890 and other relevant UK laws.

1. Partnership Name

The name of the Partnership shall be ______________ , or any other name as agreed upon by the Partners.

2. Principal Office

The principal place of business of the Partnership shall be _______ , or such other location as agreed upon.

3. Nature of Business

The Partnership is established for the purpose of ____ , and may engage in any lawful business activities agreed upon by the Partners.

4. Term

This Agreement shall commence on ____________________ and shall continue until ____ or until terminated in accordance with this Agreement.

5. Capital Contributions

The Partners shall make the following contributions to the Partnership's capital:

Partner Name	Contribution Amount (£)	Contribution Type (Cash/Property/Other)
______________	______________	______________
______________	______________	______________

No additional contributions shall be required unless agreed upon in writing by all Partners.

6. Profit and Loss Sharing

The Partners shall share profits and losses in the following manner:

Partner Name	Profit/Loss Percentage (%)
______________	______________
______________	______________

All Partners shall share equally in management decisions unless otherwise agreed.

7. Partnership Accounts and Banking

A joint Partnership bank account shall be maintained at ______________________ , and all transactions shall require __________ signatures.

Records of accounts shall be maintained and made available to all Partners.

8. Management and Decision Making

☐ Each Partner shall have equal voting rights in business decisions.

☐ Decision-making authority shall be allocated as follows:

- ____________________ shall oversee ____ .
- ____________________ shall manage ____ .

If disputes arise, they shall be resolved by majority vote / mediation / arbitration.

9. Drawings and Remuneration

Partners shall be entitled to regular drawings from the Partnership profits, agreed as follows:

☐ Fixed Drawings of £_______________ per month/week.

☐ Percentage-based drawings as per profit-sharing agreement.

No Partner shall take unauthorised withdrawals from the Partnership funds.

10. Liabilities and Indemnities

Each Partner is jointly and severally liable for Partnership debts under UK law.

The Partnership shall indemnify each Partner against losses incurred in the ordinary course of business, provided there was no negligence, misconduct, or breach of duty.

11. Tax and Financial Reporting

The Partnership shall comply with all applicable tax requirements, including:

- Annual Self-Assessment Tax Returns
- VAT Registration (if applicable) under VAT Registration No: _________________________________
- PAYE for any employees

The Partners agree to appoint _________________________ as the official accountant of the Partnership.

12. Dissolution and Exit Strategy

The Partnership shall be dissolved upon:

☐ Mutual agreement of all Partners.

☐ Death, bankruptcy, or incapacity of a Partner, unless otherwise agreed.

☐ Breach of Agreement, leading to an exit procedure outlined as follows:

If a Partner exits, their share shall be:

☐ Offered to remaining Partners at fair market value.

☐ Sold to an external buyer, subject to Partner approval.

☐ Transferred to a successor (e.g., family member).

13. Restrictions on Competition

No Partner shall:

- Engage in competing businesses while part of this Partnership.
- Use Partnership intellectual property for personal gain.

14. Dispute Resolution

All disputes shall be resolved through:

☐ Mediation, facilitated by ____ [Mediator's Name].

☐ Binding arbitration, governed by the Arbitration Act 1996.

☐ Legal action, under the exclusive jurisdiction of the courts of England and Wales.

15. Confidentiality

All Partners agree to maintain confidentiality of business records, trade secrets, and sensitive information, even after leaving the Partnership.

16. Governing Law

This Agreement shall be governed and construed in accordance with the laws of England and Wales.

17. Amendments and Notices

This Agreement may only be amended by a written agreement signed by all Partners.

All written notices must be delivered to the respective addresses below:

Partner Name	**Address**
______________________________________	______________________________________
______________________________________	______________________________________

18. Entire Agreement

This Agreement represents the entire understanding between the Partners and supersedes all previous agreements.

IN WITNESS WHEREOF, the Partners have signed this Agreement on ____________________ [Date].

Signed by Partner 1:

Name: _________________________

Signature: _______________________________________

Date: _________________________

Signed by Partner 2:

Name: _________________________

Signature: _______________________________________

Date: _________________________

Witness:

Name: _______________________________________

Address: _______________________________________

Signature: _______________________________________

Date: _________________________