

PARTNER FUNDING AND CAPITAL CALL PROTOCOL DOCUMENT

PARTNERSHIP CAPITAL AGREEMENT

This Partner Funding and Capital Call Protocol Document (the "Protocol") is entered into and made effective as of _____, by and among the undersigned partners (each a "Partner" and collectively the "Partners") of _____ (the "Partnership").

RECITALS

WHEREAS, the Partners have entered into a Partnership Agreement dated _____ (the "Partnership Agreement"); and

WHEREAS, the Partners desire to establish a formal, structured protocol to govern any additional capital contributions, financing requirements, and the mechanics of issuing and responding to Capital Calls within the Partnership; and

WHEREAS, this Protocol is intended to supplement the Partnership Agreement and ensure the orderly financial management of the Partnership.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Partners agree as follows:

SECTION 1. CAPITAL CONTRIBUTIONS & COMMITMENTS

- Initial Capital:** The Partners acknowledge that their initial capital contributions have been fully paid as set forth in the Partnership Agreement.
- Additional Funding Needs:** If the General Partner, or a majority of the Partners holding at least _____ % of the partnership interests, determines that additional capital is required to support operations, acquisitions, capital expenditures, or other liabilities of the Partnership, a Capital Call may be initiated in accordance with this Protocol.
- Pro Rata Responsibility:** Each Partner shall be obligated to contribute capital in proportion to their respective Partnership Interest, which is currently defined as follows:

Partner: _____ - Percentage: _____ %

Partner: _____ - Percentage: _____ %

Partner: _____ - Percentage: _____ %

SECTION 2. CAPITAL CALL NOTICE PROCEDURE

- Written Notice Requirement:** Any Capital Call must be initiated by delivering a formal, written notice (the "Capital Call Notice") to each Partner.
- Content of Notice:** Each Capital Call Notice must explicitly state:
 - The total aggregate amount of capital being requested from all Partners;
 - The specific purpose for which the capital will be utilized;
 - The individual Partner's pro rata share of the requested capital;
 - The wire transfer instructions or payment method for the contribution; and
 - The due date for the contribution, which shall not be less than _____ business days from the date the Capital Call Notice is deemed delivered.

SECTION 3. PAYMENT TERMS AND DEADLINES

1. **Due Date:** All Partners must clear and deposit their respective portion of the requested capital into the designated Partnership bank account on or before _____.:00 PM on the due date specified in the Capital Call Notice.
2. **Extensions:** Any extension of the due date must be approved in writing by _____.

SECTION 4. DEFAULT AND NON-PAYMENT

1. **Delinquency:** If a Partner fails to fund their pro rata share of the Capital Call by the designated due date, such Partner shall be deemed a "Defaulting Partner."
2. **Cure Period:** The Defaulting Partner shall have a period of _____ business days to remedy the payment default.
3. **Interest on Defaulted Capital:** Any outstanding unpaid capital call amount shall accrue interest at a rate of _____ % per annum, calculated daily from the original due date until fully paid.
4. **Remedies:** If the default is not cured within the stipulated period, the non-defaulting Partners may elect to:
 - a. Fund the deficit portion on behalf of the Defaulting Partner, treating such amount as a high-interest debt owed by the Defaulting Partner to the funding Partner; or
 - b. Dilute the Defaulting Partner's equity interest in the Partnership in accordance with Section 5 of this Protocol.

SECTION 5. DILUTION OF PARTNERSHIP INTEREST

1. **Dilution Formula:** If a non-defaulting Partner funds the deficit capital, the partnership interests of the Partners shall be adjusted. The dilution shall be calculated using the following formula or method:

2. **Permanent Adjustment:** Any dilution resulting from a failure to meet a Capital Call shall permanently alter the respective Partnership Interests and distribution rights of the Partners going forward.

SECTION 6. MISCELLANEOUS

1. **Governing Law:** This Protocol shall be governed by, and construed in accordance with, the laws of the State of _____.
2. **Severability:** If any provision of this Protocol is held to be invalid or unenforceable, such provision shall be modified to minimum extent necessary, and the remaining provisions shall remain in full force and effect.
3. **Entire Agreement:** This Protocol, alongside the Partnership Agreement, constitutes the entire understanding between the Partners regarding capital call requirements and funding procedures.

IN WITNESS WHEREOF, the Partners hereto have executed this Partner Funding and Capital Call Protocol Document as of the date first written above.

Partner Signature

Name: _____

Title: _____

Date: _____

Partner Signature

Name: _____

Title: _____

Date: _____

Partner Signature

Name: _____

Title: _____

Date: _____

Partner Signature

Name: _____

Title: _____

Date: _____