

PARTNER FUNDS DISTRIBUTION AND WITHDRAWAL ACCORD

This Partner Funds Distribution and Withdrawal Accord (hereinafter referred to as the "Accord") is entered into and made effective as of _____, 20____ (the "Effective Date"), by and among the undersigned partners (individually referred to as a "Partner" and collectively referred to as the "Partners") of _____ (hereinafter referred to as the "Partnership").

RECITALS

WHEREAS, the Partners have entered into a Partnership Agreement dated _____, 20____ (the "Partnership Agreement"); and

WHEREAS, the Partners desire to establish clear, structured rules, procedures, and terms governing the distribution of Partnership funds and the withdrawal of capital by the Partners; and

WHEREAS, this Accord is intended to supplement and, where explicitly stated, amend the provisions of the Partnership Agreement regarding distributions and withdrawals.

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: DEFINITIONS

1. **"Available Cash"** shall mean the net cash of the Partnership available for distribution, after taking into account all operating expenses, debt service payments, and such reserves for future contingencies, capital expenditures, and working capital as determined by the Partners.
2. **"Capital Account"** shall mean the individual account maintained for each Partner as established under the Partnership Agreement, representing the partner's capital contributions adjusted by allocations of profits, losses, and distributions.
3. **"Distribution Percentage"** shall represent the agreed-upon proportion in which each Partner is entitled to receive distributions of Available Cash, which shall be specified as:

_____	:	_____	%
_____	:	_____	%
_____	:	_____	%

SECTION 2: TIMING AND AUTHORIZATION OF DISTRIBUTIONS

1. **Regular Distributions:** Regular distributions of Available Cash shall be evaluated and made on a _____ basis, subject to the approval of _____ percent (_____ %) of the Partnership interests.
2. **Tax Distributions:** Prior to the due date of individual federal and state income tax returns, the Partnership shall, to the extent of Available Cash, distribute to each Partner an amount sufficient to cover the income tax liability generated by the Partner's allocable share of Partnership taxable income, calculated at an assumed combined tax rate of _____ %.
3. **Limitations on Distributions:** No distribution of Available Cash shall be made if, after giving effect to the distribution, the Partnership would not be able to pay its debts as they become due in the usual course of business, or if the Partnership's total assets would be less than its total liabilities.

SECTION 3: PARTNER CAPITAL WITHDRAWALS

1. **Voluntary Capital Withdrawals:** A Partner may not withdraw any portion of their Capital Account without the prior written consent of _____ percent (_____ %) of the remaining Partnership interests.
2. **Notice Period:** Any Partner seeking a voluntary withdrawal of capital must submit a formal written request to all other Partners at

least _____ days prior to the proposed date of withdrawal.

3. **Terms of Repayment:** Approved withdrawals of capital shall be disbursed to the withdrawing Partner over a period of _____ months, bearing interest at a rate of _____ % per annum, to prevent undue financial hardship to the Partnership.

SECTION 4: DISPUTE RESOLUTION

In the event of any dispute, controversy, or claim arising out of or relating to this Accord, including its distribution allocations or withdrawal approvals, the Partners shall first attempt to resolve the matter through good-faith mediation. If mediation fails to resolve the dispute within _____ days of a written request for mediation, the dispute shall be settled by binding arbitration in accordance with the rules of the _____, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

SECTION 5: MISCELLANEOUS

1. **Governing Law:** This Accord shall be governed by, and construed in accordance with, the laws of the State of _____.
2. **Amendments:** This Accord may only be amended, modified, or supplemented by a written instrument signed by all Partners.
3. **Counterparts:** This Accord may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Partners have executed this Partner Funds Distribution and Withdrawal Accord as of the date first written above.

Partner Signature

Print Name: _____
Date: _____

Partner Signature

Print Name: _____
Date: _____

Partner Signature

Print Name: _____
Date: _____

Partner Signature

Print Name: _____
Date: _____