

GENERAL PARTNERSHIP TAX ALLOCATION AND COMPLIANCE AGREEMENT

This General Partnership Tax Allocation and Compliance Agreement (the "Agreement") is entered into as of _____, 20_____, by and among the partners listed on Schedule A attached hereto (each individually, a "Partner" and collectively, the "Partners") of _____ (the "Partnership").

RECITALS

WHEREAS, the Partners have formed a General Partnership pursuant to the laws of the State of _____;

WHEREAS, the Partners desire to establish rules for the allocation of partnership income, gain, loss, deduction, and credit, and to ensure compliance with federal, state, and local tax laws, including the Internal Revenue Code of 1986, as amended (the "Code");

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: MAINTENANCE OF CAPITAL ACCOUNTS

1. The Partnership shall establish and maintain for each Partner a separate Capital Account in accordance with Section 704(b) of the Code and the Treasury Regulations promulgated thereunder.
2. Each Partner's Capital Account shall be increased by:
 - a. the amount of money contributed by the Partner to the Partnership;
 - b. the fair market value of property contributed by the Partner (net of liabilities secured by such property that the Partnership is considered to assume or take subject to); and
 - c. allocations to the Partner of Partnership income and gain (or items thereof).
3. Each Partner's Capital Account shall be decreased by:
 - a. the amount of money distributed to the Partner by the Partnership;
 - b. the fair market value of property distributed to the Partner (net of liabilities secured by such property that the Partner is considered to assume or take subject to); and
 - c. allocations to the Partner of Partnership loss and deduction (or items thereof).

SECTION 2: TAX ALLOCATIONS

1. **Profits and Losses:** Except as otherwise provided in this Agreement, all items of income, gain, loss, deduction, and credit shall be allocated among the Partners in accordance with their partnership percentages as set forth in Schedule A.
2. **Section 704(c) Allocations:** In accordance with Section 704(c) of the Code and the Treasury Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Partnership shall, solely for tax purposes, be allocated among the Partners so as to take account of any variation between the adjusted basis of such property to the Partnership for federal income tax purposes and its initial fair market value.
3. **Minimum Gain Chargeback:** This Agreement hereby incorporates by reference the "minimum gain chargeback" provisions of Treasury Regulations Section 1.704-2.

SECTION 3: PARTNERSHIP REPRESENTATIVE

1. The Partners hereby designate _____ as the "Partnership Representative" within the meaning of Section 6223 of the Code.
2. The Partnership Representative shall represent the Partnership, at the Partnership's expense, in all examinations of the Partnership's

affairs by tax authorities, and is authorized to expend Partnership funds for professional services and costs associated therewith.

3. The Partnership Representative shall keep all Partners informed of all significant tax proceedings and shall not settle any tax audit or contest without the prior written consent of a majority in interest of the Partners.

SECTION 4: TAX RETURNS AND ELECTIONS

1. **Filing of Returns:** The Partnership Representative shall cause to be prepared and timely filed all required federal, state, and local tax returns for the Partnership. The Partnership shall provide a copy of the Partnership's federal tax return, including Schedule K-1, to each Partner within _____ days after the close of the fiscal year, or as soon as reasonably practicable.
2. **Tax Elections:** The Partnership may make any tax elections permitted under the Code or state law, including but not limited to an election under Section 754 of the Code, upon the unanimous consent of the Partners.

SECTION 5: MISCELLANEOUS

1. **Governing Law:** This Agreement shall be governed by, and construed in accordance with, the laws of the State of _____, without regard to its conflict of laws principles.
2. **Amendments:** This Agreement may be amended, modified, or supplemented only by a written instrument executed by all Partners.
3. **Binding Effect:** This Agreement shall be binding upon and inure to the benefit of the Partners and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns.

IN WITNESS WHEREOF, the Partners have executed this General Partnership Tax Allocation and Compliance Agreement as of the date first written above.

PARTNER:

Signature

Print Name

Date

Witness / Attest Signature

PARTNER:

Signature

Print Name

Date

Witness / Attest Signature

SCHEDULE A

Partners and Partnership Percentages

Partner Name	Capital Contribution	Partnership Percentage