

PARTNERSHIP FINANCIAL DISTRIBUTION AND LOSS ALLOCATION AGREEMENT

This Partnership Financial Distribution and Loss Allocation Agreement (the "Agreement") is made and entered into as of this _____ day of _____, 20_____, by and among the undersigned partners (collectively referred to as the "Partners" and individually as a "Partner").

WHEREAS, the Partners have entered into a Partnership Agreement dated _____, 20_____, (the "Partnership Agreement") governing the partnership known as _____ (the "Partnership"); and

WHEREAS, the Partners desire to formally establish and agree upon the specific terms, ratios, and methods for allocating profits, losses, and making financial distributions among themselves;

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

The Partners have contributed or agree to contribute to the capital of the Partnership as set forth below. Capital accounts shall be maintained in accordance with applicable tax regulations.

Partner Name	Capital Contribution Amount	Capital Account Percentage
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

SECTION 2: ALLOCATION OF NET PROFITS AND NET LOSSES

A. **Allocation of Profits:** For each fiscal year of the Partnership, the Net Profits of the Partnership shall be allocated to the Partners in the following percentages:

Partner _____ : _____ %

Partner _____ : _____ %

Partner _____ : _____ %

Partner _____ : _____ %

B. **Allocation of Losses:** Except as otherwise required by law, Net Losses of the Partnership shall be allocated to the Partners in the following percentages:

Partner _____ : _____ %

Partner _____ : _____ %

Partner _____ : _____ %

Partner _____ : _____ %

SECTION 3: FINANCIAL DISTRIBUTIONS

- A. **Timing of Distributions:** Cash available for distribution shall be determined by _____ and shall be distributed to the Partners on a _____ basis, or at such other times as the Partners may unanimously agree.
- B. **Distribution Order:** Distributions shall be made in proportion to each Partner's profit allocation percentage as defined in Section 2(A) of this Agreement, subject to any reserves determined necessary under Section 3(C).
- C. **Withholding/Reserves:** The Partnership may withhold or retain funds from distribution to establish reasonable reserves for anticipated expenses, capital expenditures, or liabilities of the Partnership, as determined by _____.

SECTION 4: MISCELLANEOUS PROVISIONS

- A. **Amendment:** This Agreement may only be amended, modified, or supplemented by a written agreement signed by all Partners.
- B. **Governing Law:** This Agreement shall be governed by, and construed in accordance with, the laws of the State of _____.
- C. **Severability:** If any provision of this Agreement is held to be invalid or unenforceable, such provision shall be modified to the minimum extent necessary to make it valid and enforceable, and the remaining provisions shall remain in full force and effect.

IN WITNESS WHEREOF, the Partners have executed this Partnership Financial Distribution and Loss Allocation Agreement as of the date first written above.

Partner 1:

Signature: _____

Name: _____

Date: _____

Partner 2:

Signature: _____

Name: _____

Date: _____

Partner 3:

Signature: _____

Name: _____

Date: _____

Partner 4:

Signature: _____

Name: _____

Date: _____

