

PARTNERSHIP RETIREMENT AND BUYOUT AGREEMENT

This Partnership Retirement and Buyout Agreement (the "Agreement") is entered into on this _____ day of _____, 20____, by and among the following parties:

Retiring Partner: _____, residing at _____ (hereinafter referred to as the "Retiring Partner").

Remaining Partners:

1. _____, residing at _____
2. _____, residing at _____
3. _____, residing at _____

(hereinafter collectively referred to as the "Remaining Partners").

Partnership: _____, a partnership established under the laws of the State of _____, with its principal place of business at _____ (hereinafter referred to as the "Partnership").

RECITALS

WHEREAS, the Retiring Partner and the Remaining Partners are partners in the Partnership pursuant to a Partnership Agreement dated _____, 20____; and

WHEREAS, the Retiring Partner has decided to retire from the Partnership and the Remaining Partners desire to purchase the Retiring Partner's entire partnership interest under the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions herein contained, the parties agree as follows:

1. RETIREMENT AND EFFECTIVE DATE

The Retiring Partner hereby retires from the Partnership effective as of _____, 20____ (the "Effective Date"). As of the Effective Date, the Retiring Partner shall cease to be a partner of the Partnership, shall have no authority to act for or bind the Partnership, and shall have no further rights or duties as a partner except as explicitly provided in this Agreement.

2. BUYOUT PRICE AND VALUATION

The Remaining Partners shall purchase, and the Retiring Partner shall sell, the Retiring Partner's entire interest in the capital, profits, and assets of the Partnership. The total buyout price for the Retiring Partner's interest is agreed to be \$_____ (the "Buyout Price"), which represents the full and final valuation of the Retiring Partner's share.

3. TERMS OF PAYMENT

The Buyout Price shall be paid by the Remaining Partners to the Retiring Partner in the following manner:

1. **Initial Payment:** The sum of \$_____ shall be paid in cash, certified check, or wire transfer on or before _____, 20____.
2. **Promissory Note:** The remaining balance of \$_____ shall be paid pursuant to the terms of a Promissory Note executed concurrently with this Agreement, providing for _____ installments at an interest rate of _____% per annum.

4. TRANSFER OF INTEREST AND RELEASE

Upon receipt of the Initial Payment, the Retiring Partner hereby assigns, transfers, and conveys to the Remaining Partners, in proportion to their existing partnership shares, all of the Retiring Partner's right, title, and interest in and to the Partnership. The Retiring Partner releases and forever discharges the Partnership and the Remaining Partners from all claims, demands, and liabilities arising out of or relating to the Partnership, except for obligations arising under this Agreement.

5. INDEMNIFICATION AND LIABILITY

The Remaining Partners and the Partnership shall jointly and severally indemnify, defend, and hold harmless the Retiring Partner from and against any and all debts, liabilities, demands, claims, actions, or causes of action of any kind whatsoever arising out of the operation of the Partnership on or after the Effective Date. The Retiring Partner shall remain liable for their share of any partnership liabilities incurred prior to the Effective Date, unless otherwise agreed in writing.

6. RESTRICTIVE COVENANTS

- 1. **Confidentiality:** The Retiring Partner agrees to keep confidential all proprietary information, trade secrets, and business practices of the Partnership.
- 2. **Non-Compete:** For a period of _____ years following the Effective Date, the Retiring Partner shall not engage in, directly or indirectly, any business competitive with the Partnership within a radius of _____ miles from the Partnership's principal place of business.

7. GOVERNING LAW AND DISPUTES

This Agreement shall be construed, interpreted, and governed by the laws of the State of _____. Any dispute arising out of or in connection with this Agreement shall be resolved through binding arbitration in _____, in accordance with the rules of the American Arbitration Association.

8. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties concerning the retirement and buyout and supersedes all prior agreements, understandings, negotiations, and discussions, whether oral or written, between the parties.

IN WITNESS WHEREOF the parties hereto have executed this Partnership Retirement and Buyout Agreement as of the date first above written.

RETIRING PARTNER:

Signature: _____

Name: _____

Date: _____

PARTNERSHIP REPRESENTATIVE:

Signature: _____

By (Name/Title): _____

Date: _____

REMAINING PARTNER:

Signature: _____

Name: _____

Date: _____

REMAINING PARTNER:

Signature: _____

Name: _____

Date: _____