

PARTNER CAPITAL ACCOUNT MANAGEMENT AGREEMENT

This Partner Capital Account Management Agreement (the "Agreement") is entered into as of _____, 20____, by and among the partners of _____ (the "Partnership").

RECITALS

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

WHEREAS, the Partners desire to establish detailed rules and procedures for the maintenance and administration of the Partners' Capital Accounts in compliance with applicable tax laws and accounting standards;

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 parties agree as follows:

1. ESTABLISHMENT OF CAPITAL ACCOUNTS

The Partnership shall establish and maintain for each Partner a separate Capital Account. Each Capital Account shall be maintained in accordance with the following provisions:

- a. Each Partner's Capital Account shall be increased by:
 - i. The amount of money contributed by the Partner to the Partnership;
 - ii. The fair market value of property contributed by the Partner to the Partnership (net of liabilities secured by such contributed property that the Partnership is considered to assume or take subject to); and
 - iii. Allocations to the Partner of Partnership income and gain (or items thereof).
- b. Each Partner's Capital Account shall be decreased by:
 - i. The amount of money distributed to the Partner by the Partnership;
 - ii. The fair market value of property distributed to the Partner by the Partnership (net of liabilities secured by such distributed property that the Partner is considered to assume or take subject to); and
 - iii. Allocations to the Partner of Partnership expenditures, loss, and deduction (or items thereof).

2. CAPITAL CONTRIBUTIONS

The initial capital contributions of the Partners are set forth on Schedule A attached hereto. No Partner shall be required to make any additional capital contributions unless agreed upon in writing by all Partners, or as otherwise provided in the Partnership Agreement.

3. REVALUATION OF CAPITAL ACCOUNTS

Upon the occurrence of certain events, including the contribution of more than a de minimis amount of money or other property by a new or existing Partner, or the distribution of more than a de minimis amount of money or other property to a retiring or continuing Partner, the Partnership may revalue the Partnership property on its books to reflect its fair market value. If property is revalued, the Capital Accounts of the Partners shall be adjusted to reflect the manner in which the unrealized income, gain, loss, or deduction inherent in such property would be allocated among the Partners if there were a taxable disposition of such property for such fair market value on the date of revaluation.

4. DEFICIT CAPITAL ACCOUNTS

Except as otherwise required by law or the Partnership Agreement, no Partner shall be obligated to restore any deficit balance in their Capital Account upon liquidation of the Partnership or otherwise.

5. TRANSFER OF CAPITAL ACCOUNTS

Upon the transfer of all or a portion of a Partner's interest in the Partnership in accordance with the Partnership Agreement, the Capital Account of the transferor Partner that is attributable to the transferred interest shall carry over to the transferee Partner.

6. GOVERNING LAW

This Agreement and the rights of the parties hereunder shall be governed by, and interpreted in accordance with, the laws of the State of _____, without regard to its conflict of law principles.

7. AMENDMENTS

This Agreement may not be amended, modified, or supplemented except by a written instrument executed by all Partners.

IN WITNESS WHEREOF, the parties hereto have executed this Partner Capital Account Management Agreement as of the date first written above.

Partner:

Name: _____

Date: _____

Partner:

Name: _____

Date: _____

Partner:

Name: _____

Date: _____

Partner:

Name: _____

Date: _____

SCHEDULE A
Initial Capital Contributions

Partner Name	Capital Contribution	Percentage Interest
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____