

Partnership and Corporation Articles of Cooperation

To save misunderstanding and “many headaches”, be sure you and your partner(s) have discussed and arrived at an agreement in writing about the following:

1. The business name
2. The duration of the partnership/corporation—number of years or “until dissolved.”
3. Location of the office.
4. How much or what each partner will contribute to the business.
5. Whether partners may make additional contributions.
6. The level at which capital accounts of the partners must be maintained.
7. How profits and losses will be shared.
8. How much salary each partner expects.
9. How much of a draw will be allowed by each partner against the profits.
10. The duties, responsibilities, and involvement of each partner.
11. Non-competition agreement.
12. How much time each partner will spend on the business.
13. Who the decision maker is and whose decision will prevail in the event of a disagreement.
14. The procedure for admitting new partners.
15. How goodwill in the business will be determined in the event one partner will be liquidated.
16. How business interests of the withdrawing of deceased partner will be liquidated.
17. The age at which each partner must withdraw from active participation and the arrangements for adjusting salary and equity in the business.
18. If the business name can still be used if a partner withdraws from the business.
19. Basis and procedure for expulsion of a partner.
20. The procedures if a partner becomes disabled or incapacitated.
21. The accounting system to be used and who will be responsible.
22. The business fiscal year.
23. What bank to use and who may sign checks.
24. Who has access to the books.
25. Conditions for accepting limited partners in the business.