

**RUDRA LEGAL CORPORATION PTY LTD ACN 163 240 319 TRADING AS
LAWBANK**

AND

LIMITED PARTNERSHIP AGREEMENT

Rudra Legal Corporation Pty Ltd

Suite 1.04, 159 Queen Street

Campbelltown NSW 2560

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Ref: VR:794VR18

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THIS AGREEMENT dated day of 2019

BETWEEN Rudra Legal Corporation Pty Ltd ACN 163 240 319 trading as
LAWBANK of 1/67 Scott Street, Liverpool, New South Wales (**General
partner**)

AND of (**Limited partner**)

RECITALS

A. The parties have carried on the business of , which is a limited partnership,
since and now wish to reduce their agreements to writing.

OR

B. The parties wish to carry on the business of in partnership, which is a limited
partnership, and wish to reduce their agreements to writing.

OPERATIVE PART

1. Definitions

Business means the business of [insert] in Australia or any other business
which the partners agree to carry on.

General Partner means a partner who is listed as 'general' in schedule 1.

Limited Partner means a partner who is listed as 'limited' in schedule 1.

Partner means a person who is for the time being a partner of the partnership
including a limited partner and the general partner, and partners refers to all
partners in the partnership.

Partnership means the limited partnership governed by this deed and known
as the [name of partnership] partnership.

Partnership bank account is the bank account where the partnership money
is held.

2. Interpretation

This agreement is governed by the laws of New South Wales and the parties
submit to the non-exclusive jurisdiction of the courts of that state.

In the interpretation of this agreement:

- (a) References to legislation or provisions of legislation include changes
or re-enactments of the legislation and statutory instruments and
regulations issued under the legislation;
- (b) Words denoting the singular include the plural and vice versa, words
denoting individuals or persons include bodies corporate and vice
versa, references to documents or agreements also mean those
documents or agreements as changed, novated or replaced, and
words denoting one gender include all genders;

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- (c) Grammatical forms of defined words or phrases have corresponding meanings;
 - (d) Parties must perform their obligations on the dates and times fixed by reference to the capital city of New South Wales;
 - (e) Reference to an amount of money is a reference to the amount in the lawful currency of the Commonwealth of Australia;
 - (f) If the day on or by which anything is to be done is a Saturday, a Sunday or a public holiday in the place in which it is to be done, then it must be done on the next business day;
 - (g) References to a party are intended to bind their executors, administrators and permitted transferees; and
 - (h) Obligations under this agreement affecting more than one party bind them jointly and each of them severally.

3. Duration of the partnership

The partnership [starts **OR** started] on _____ and will continue until the termination date. If a partner retires from the partnership but at least two partners remain, the partnership will continue.

4. Name of the partnership

Pursuant to the Partnership Act in the relevant state/territory the general partners must register the partnership name.

5. Operation of Partnership

- (a) Taking effect from the date of registration of the partnership as a limited partnership, the partners will carry on the business as a limited partnership.
- (b) From the time the firm is registered as a limited partnership, the partners agree to comply with the requirements of the law governing limited partnerships.

6. Conduct of partners

- (a) General partners must:
 - (i) attend to the business;
 - (ii) carry on the business in a manner that most likely to facilitate the common benefit of the partners;
 - (iii) immediately pay all money received by them on behalf of the partnership into the partnership bank account; and
 - (iv) discharge their own private debts in a punctual manner.
- (b) Limited partners must:
 - (i) immediately pay all money received by them on behalf of the partnership into the partnership bank account;
 - (ii) not take part in the management of the business; and

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- (iii) not interfere with the general partner's management of the business.

7. Admitting new limited partners

- (a) A general partner may admit a new limited partner to the partnership at any time without the prior consent or notice to the limited partners.
- (b) A general partner must determine the form of application to be used by a prospective limited partner.
- (c) A general partner must determine the amount of capital to be contributed by the new partner, including any premiums to be paid by the limited partner on their admission and the liability of the new limited partner.
- (d) A general partner must notify any relevant governmental agency of an admission of a new limited partner.
- (e) A general partner must make any necessary amendments to the accounts of the partnership.

8. Bankers, solicitors, accountants and premises

- (a) The bankers of the partnership are .
- (b) The signatures of any two partners are required for all cheques unless otherwise agreed by all partners. All money received for the partnership must be deposited into the partnership account. Partners' private accounts must not be used to transact partnership business.
- (c) The solicitors of the partnership are .
- (d) The accountants of the partnership are .
- (e) The partnership business will be carried on at and at any other premises which the partners agree.

9. Capital and income

- (a) The general partner must, from time to time, take steps to record the amount of capital agreed by the partners to be contributed to the partnership, as required by law or as deemed necessary by the general partner.
- (b) The capital of the partnership will be continued from time to time in shares as set out in the schedule. The assets of the partnership will belong to the partners in shares set out in the schedule.
- (c) With consent of the general partner(s) a partner may at any time agree to increase the amount of capital that they agree to contribute to the partnership.
- (d) The profits of the partnership and any losses will be shared between the partners in proportions as set out in the schedule:
 - (i) a limited partner must bear losses up to the limit of their liability; and

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- (ii) a general partner must bear the balance of losses jointly and severally.
 - (e) If from time to time a partner, with consent of the general partner, makes an advance to the partnership over and above their capital contribution, then the partners shall before such advance is made agree upon the terms applicable to such advance and in particular the interest payable thereon.
 - (f) Each partner, with consent of the general partner, will be entitled to draw from the partnership bank account on account of profits such amount at such times as all the partners agree.
 - (g) Each partner shall be entitled to be fully reimbursed for all expenditures made by them on behalf of the partnership.
 - (h) If as a result of their position as a partner of the firm, a partner derives income from any appointment or any other position or employment, then that income is agreed to be income of the partnership to be divided between the partners.
 - (i) For the purpose of providing security of income, the partners may agree to employ one or more of them as employees subject to and upon the same terms and conditions as other employees of the partnership other than as to wages and entitlements. Such wage will be in addition to the salaried partner's share in the net profits of the partnership in accordance with this agreement and the wage will be a working expense of the partnership before the profits are determined.

10. Management

- (a) A limited partner is not an agent of the general partners or the partnership and a limited partner has no power to bind the general partners or the partnership.
- (b) A general partner and the partnership are not agents of a limited partner, and the acts of a general partner will not bind a limited partner.
- (c) A limited partner must not participate in the management of the partnership and must restrict their actions to the following that will not be regarded as participating in management:
 - (i) giving a guarantee or indemnity in respect of any debt or obligation of the partnership or the general partners;
 - (ii) participating in any action by other limited partners for the purpose of enforcing their rights or safeguarding their interests as limited partners;
 - (iii) participating in general meetings of all partners;
 - (iv) exercising any power conferred on a limited partner under state and/or federal legislation regulating partnerships.
- (d) Any document that creates obligations to be undertaken by the partnership must be signed by the general partner(s).

11. Liability

The initial liability of each limited partner is set out in the schedule.

The liability of each limited partner to contribute to the debts or obligations of the partnership is subject to the law in force and is not to exceed the amount from time to time shown in the register of limited partnerships.

12. Indemnity

If the partnership ceases to be a limited partnership but continues to be carried on as a business, the general partners agree to indemnify and keep indemnified the limited partners against any liabilities in excess of the amount shown in relation to each limited partner in the register of limited partnerships whatsoever arising therefrom.

13. Records and accounts

- (a) Accounts include a balance sheet, profit and loss statement and any relevant documents which demonstrate the partnership's compliance with taxation laws.
- (b) The partnership shall keep all proper books of account in accordance with generally accepted accounting principles and all records applicable to the partnership business, and shall make all such books and records available to all partners at all times, including as at the date of dissolution of the partnership and as at the date of any change in membership to the partnership.
- (c) At the end of each month a profit and loss account shall be prepared and the general partner(s) must ensure that a copy is provided to each partner. At the end of each financial year annual accounts and a balance sheet shall be prepared and made available to each partner. Prior to the distribution of profits the annual accounts shall be agreed by all of the partners by signing a copy thereof. In the event of a dispute then an interim distribution of profits may be made provided a protocol has been agreed for the resolution of the dispute and the relevant retention of such part of the profits as is agreed is made.
- (d) Upon request at any time any partner shall be given an up to date copy of their capital account, their income account and if relevant their loan account and a balance sheet for the partnership.
- (e) Any partner may at any time request a copy of all the accounts of the partnership from the accountant of the partnership without the authority of any other partner.

14. Partnership Finances

- (a) Deposits and withdrawals:
 - (i) The general partner(s) must deposit partnership money into the partnership bank account.
 - (ii) Only a general partner may draw a cheque on the partnership bank account.

15. Insurance

The partners will take out and continue such insurances as are customarily taken in respect of a business such as the partnership business including workers compensation and public risk insurance, insurance against losses in plant, fixtures, fittings and stock and if deemed prudent, professional indemnity and loss of profit insurance.

16. Partner conduct

- (a) Unless otherwise agreed by all partners each of them will devote the whole of their time to the partnership business and will not engage in any other form of employment. They will pay their separate debts and will not pledge the credit of the partnership except in the normal course of the partnership business. They will at all times promote the interests of the partnership and do nothing to bring it into disrepute. They will not disclose details of the partnership business to any other person or corporation, and will observe the confidential nature of the affairs of the partnership and the clients of the partnership.
- (b) Each partner shall be entitled to four weeks annual leave, which shall not accumulate from year to year, and such other reasonable leave from time to time in the event of family exigencies.
- (c) No partner shall assign or charge their interest in the partnership without the consent of all other partners.
- (d) No partner will incur a partnership debt in the normal course of the partnership business exceeding \$5,000 without the consent of all other partners.
- (e) No partner will deal with any person or corporation that the other partners do not want the partnership to deal with.
- (f) No partner will hire or fire staff without the specific approval of all partners first being obtained.

17. Termination of a partner

- (a) On 30 days notice a general partner may be terminated from the partnership in the event that the partner:
 - (i) Fails to observe the covenants herein contained and after being given 30 days notice by a limited partner or other general partner to rectify such failure does not do so; or
 - (ii) Is declared bankrupt or becomes insolvent; or
 - (iii) Becomes a represented person under the guardianship legislation; or
 - (iv) Is otherwise unable to attend to the business of the partnership whether it be through incapacity or absence for whatever reason and the continuing partners have reasonably concluded that there is little prospect of them resuming their work within three months; or

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- (v) Loses their right to practise the business of the partnership as the result of a disqualification or loss of a licence essential to the business; or
 - (vi) Is guilty conduct that is seriously prejudicial to the continued success of the business of the partnership justifying immediate notice of termination of the partnership, including, without limitation, being charged with a criminal offence involving dishonesty, or being found to have stolen from the partnership; or
 - (vii) Attain the age of years.
- (b) The notice of termination must be given by, and with the consent of, all continuing partners to the defaulting partner, or other appropriate person, and on the expiration of the notice the partnership shall be terminated as between the defaulting partner and the continuing partners.
- (c) Any partner may retire on giving four months notice to the other partners.
- (d) The partnership is terminated by the death of a partner as to the deceased partner.
- (e) On the termination of a partner due to death or retirement, or after notice of termination, the following amounts shall be calculated and paid to the outgoing partner, or their personal representative for their share of the partnership at the time as follows:
- (i) Goodwill is to be valued by taking the average of the last three years net profit and multiplying it by two and then calculating the outgoing partner's proportion thereof. This will be paid within 30 days of the termination of the partner;
 - (ii) The amount payable for work in progress is intended to reimburse the outgoing partner for their share of work that the partnership has done but which has not been billed. Assuming that half of the work has just commenced and half nears completion, then the value of the work in progress is one half of the total completed value of the work. This amount is to be calculated and then the outgoing partner's share of it less 15% for bad and doubtful debts paid within 30 days of the termination of the partner;
 - (iii) The amount representing the share of the outgoing partner of undrawn profits is payable within 90 days of termination of the partner. In calculating this amount, the accounts of the partnership shall be completed up to the date of termination on an accruals basis so that creditors and debtors are fully taken into account;
 - (iv) Any amount in credit in the outgoing partner's income account is payable immediately following termination of the partner;
 - (v) Any amount in credit in the outgoing partner's capital account is payable within 30 days of termination of the partner;
 - (vi) Any amount standing to the credit of the outgoing partner's loan account is payable within 30 days of termination of the partner;

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- (vii) Any accounts of the outgoing partner in debit may be adjusted against any credit in any other account;
 - (viii) Any share in any loss of the partnership may be offset against any credit entitlement of the outgoing partner;
 - (ix) In the event that money is owing to the partnership by the outgoing partner, then such money will be paid to the partnership immediately following termination of the partner; and
 - (x) Any money owing but unpaid shall attract interest thereon at the rate of 8% per annum compounding monthly until paid.
- (f) The outgoing partner shall continue to be liable for their proportion of any amount found payable arising from an event which occurred on or prior to their leaving, and they indemnify the other partners against any liabilities whatsoever arising therefrom, and the continuing partners release and indemnify the outgoing partner against any liability arising in the partnership incurred after the termination of the partner.
 - (g) All partners will sign such documents as are necessary to give effect to the termination of the outgoing partner.
 - (h) The continuing partners will own the ongoing partnership and will be entitled to share in the profits and will bear the losses thereof in equal shares, and the outgoing partner will have no further interest therein.
 - (i) The outgoing partner agrees that they will not directly or indirectly, in any capacity whatsoever, seek the business of the existing clients of the partnership, nor offer any position of employment to any member of the staff of the partnership, nor carry on any like business for a period of two years within the immediate locality being a radius of of the place of business of the partnership.
 - (j) The outgoing partner and the continuing partners will continue to observe their obligation to keep confidential the affairs of the business and those of its clients and will not denigrate the other to any person or corporation.

18. Dispute resolution

- (a) If a dispute arises then before any proceedings are commenced, excluding proceedings seeking urgent interlocutory relief, a party to this agreement must give 14 days notice to the others setting out the dispute and seek discussion and compromise to resolve the dispute.
- (b) If a dispute arises, the parties to the dispute agree in good faith to take all reasonable steps to settle the dispute by negotiation.
- (c) If after 14 days the dispute is not resolved then it must be referred to mediation on the same terms as those ordered by the Supreme Court of New South Wales and the costs of the mediator shall be borne equally by the parties to the dispute.

19. Dissolution

The partnership will continue until the general and limited partners agree to the dissolution of the partnership. The partnership is dissolved from the date that such agreement is reached.

20. Winding up

- (a) The partnership may be wound up if the limited partners resolve to do so by special resolution.
- (b) Where no two or more partners wish to continue the partnership then it shall be wound up. Where there are four or more partners and two groups of two or more partners wish to continue the partnership then in the absence of agreement to the contrary the partnership shall be wound up.
- (c) The business undertaking and assets of the partnership shall be realised by the general partners and any partner may bid to acquire the whole or part thereof.
- (d) Following realisation all amounts owing to third parties will be paid firstly out of any profits then out of any capital accounts and then by the partners themselves in proportion to their interest in the partnership.
- (e) Any surplus after payment of all debts shall be paid firstly in repayment of any partner's loan accounts pro rata if insufficient funds remain, then the partner's capital accounts pro rata if insufficient funds remain, then their current accounts pro rata if insufficient funds remain, and then divided between the partners according to their respective interests in the partnership.
- (f) Final accounts shall be prepared agreed and taxation returns completed. The partners shall sign all documents and do all things to finalise the affairs of the partnership.

21. Costs

The costs of preparation and finalisation of this agreement shall be shared equally by the partners.

22. Notices

A notice or other communication to a party must be in writing and delivered to that party or that party's practitioner in one of the following ways:

- (a) Delivered personally; or
- (b) Posted to their address when it will be treated as having been received on the second business day after posting; or
- (c) Faxed to their facsimile number when it will be treated as received when it is transmitted; or
- (d) Sent by email to their email address, when it will be treated as received when it enters the recipient's information system.

23. Counterparts

This agreement may be executed in any number of counterparts each of which will be an original but such counterparts together will constitute one and the same instrument and the date of the agreement will be the date on which it is executed by the last party.

Execution page

SIGNED AS AN AGREEMENT

SIGNED BY RUDRA LEGAL CORPORATION PTY LTD ACN 163 240 319 TRADING AS LAWBANK in the presence of:)) Signature
..... Signature of witness		
..... Print name of witness		

SIGNED BY in the presence of:)) Signature
..... Signature of witness		
..... Print name of witness		

SCHEDULE

Partners

Partner Name	General / Limited
	[General/Limited]
	[General/Limited]
	[General/Limited]

Limited Partner liability

Limited Partner name	Liability
	[\$]
	[\$]
	[\$]