

PARTNERSHIP AGREEMENT BETWEEN ADVOCATES

THIS DEED of Partnership made at ..... this ..... day of ....., 2000, between A son of ..... resident of ..... of the FIRST PART, B son of ..... resident of ..... of the SECOND PART, C son of ..... resident of ..... of the THIRD PART, and D son of ..... resident of ..... of the FOURTH PART.

WITNESSETH THAT the parties hereto shall be and become partners on the following terms and conditions:

- (1) The said partners will carry on the business of Advocates in partnership at ..... under the name and style of M/s. .... with effect from .....
- (2) The partnership shall be for a period of ..... years unless previously determined in the manner hereinafter provided.
- (3) The capital requisite for carrying on the partnership business is Rs. .... which shall be contributed by all the partners equally. Any further capital required from time to time shall be contributed by the partners in equal shares.
- (4) The partnership firm shall open an account with ..... Bank ..... Branch ..... or such other bank as the partners shall from time to time agree upon.

- (5) All partnership moneys, cheques, pay orders, demand drafts and other instruments for money shall as and when received be paid into or deposited in the bank to the credit of the partnership account. The moneys received by the firm or any partner on behalf of the firm of any client or third person shall forthwith be deposited in the said bank to a separate clients account to be kept by the firm.
- (6) Proper books of account and diaries shall be kept by the partners at the business premises and the same shall be available for inspection by all the partners at all times.
- (7) Each partner shall make full and proper entries of all business transacted by him on account of the partnership and check up the bills for all such matters.
- (8) Each partner shall devote his whole time and attention to the partnership business and no partner shall, without the consent of the other partners engage in any other business or hold any office or appointment, provided that each partner can provide free and voluntary service to his friends or relatives.
- (9) Each partner shall be entitled to ..... days holiday in each year, and to absent himself from business to ..... days consecutively or otherwise in each year. If the period of absence of any partner exceeds ..... days, his share of the net profits of such year shall be considered as divided into 365 parts and for every day on which such partner shall have been absent in excess of such ..... days, one of such parts shall be divided equally between all the partners for the time being (including the partner so absenting himself).

- (10) Each partner shall be entitled to draw a sum of Rs. .... every month on account of his accruing share of the net profits for the current year. If in any year the aggregate amount drawn out by any partner shall be found to exceed the amount of his share in the net profits on taking of the annual account, he shall forthwith repay the excess to the partnership.
- (11) No partner shall pledge and credit the partnership except in the usual and regular course of the business or conduct any business for any person, company or firm, whom the other partners shall have previously in writing, forbidden him to deal with.
- (12) The firm shall not charge for acting as Advocates for a partner or the wife or any child or children of a partner or his, her, or their trustees, except out of pocket expenses or costs recovered against other parties in any proceedings or out of any estate or property the subject of any such proceedings and any costs recovered shall be credited to partnership account.
- (13) No partner shall without the written consent of the other partners:
- (1) Engage directly or indirectly in any business other than that of the partnership.
  - (2) Engage or dismiss any clerk, junior or any other employee of the partnership or take any junior, except hereinafter provided.
  - (3) Employ any of the moneys of the partnership or clients or pledge the credit of the partnership except in the ordinary course of business and upon the account or for the benefit of the partnership.
- (14) Each partner shall be entitled at any time to receive one junior to enable the latter to qualify as an advocate without paying any premium.

- (15) The general account and balance sheet shall be taken and made as at the close of each year ending on the 31st March and after the taking of the account, the same shall be audited by M/s. .... Chartered Accountants, whose audit shall extend to the separate clients account and to all properties belonging to any client which are in the possession or custody of the firm.
- (16) The net profits appearing on each such yearly account shall be divided in equal shares and such profits less such sums as may have been previously drawn on account by such partner, may be withdrawn by the partners respectively entitled thereto, as and when there shall be money at the said bank available for that purpose over and above the moneys necessary for the current expenses of the partnership business. However, if on taking annual account, it is found that any partner has drawn out more than the share of profits as ascertained thereby, he shall repay the excess to the partnership within ..... days from the date of preparation of final annual account.
- (17) Each of the partner shall be entitled to nominate one son in the partnership business and the nominee will work as junior advocate in the firm at a salary of Rs . ..... p.m. and on the partner retiring from the firm or on death of the partner, the nominee, if then duly qualified as an Advocate, shall be admitted a partner and will be entitled to his appointed share; Provided that if the nominee shall not be duly qualified or shall refuse or have refused by reason of death or otherwise have become unable to accept such nomination and become a partner then in any such case, such nomination shall be void and of no effect and his share shall be dealt with in accordance with the provisions hereinafter mentioned. Upon the admission of any such nominee as a partner, he shall be bound by the provisions of this deed so far as applicable and he shall execute a

deed covenant to perform and observe the same, if required by the other partners.

- (18) If any partner dies during the continuance of the partnership and his son does not become partner of the firm due to any reason, the share of the partner so dying shall be purchased by the surviving partners and he shall pay the purchase price to the legal representatives of the deceased within three months from the death of the deceased partner. For calculating the purchase price, an account and balance sheet shall be taken up to the day of the death from the last previous annual account and the share in the capital and assets of the partnership including goodwill, office furniture, books and office papers shall be ascertained and the said sum along with the sum which upon '3 0 taking of such account and balance sheet shall appear to be due to the deceased partner in respect of undrawn profits drawn to the date of his death shall be the purchase price. The value of the goodwill of the partnership business shall be taken to be a sum equal to two years purchase of the average net profits of the business for the three years next preceding the date of valuation as appearing from the annual accounts for those three years.
- (19) On the death of the partner, the surviving partners will execute in favour of the legal representatives of the deceased partner, indemnity against the debts, liabilities, and obligations and the legal representatives shall also execute proper deeds and other instruments for vesting the share of the deceased partner in the partner or partners entitled thereto under the provisions of this deed.
- (20) If either partner shall commit any breach of any of stipulations contained in this deed or if a partner becomes insolvent or shall become of unsound mind or incapacitated from attending to the partnership business for .....

months consecutively or if any partner retires, the partnership shall not dissolve and the provisions contained in clauses 18 and 19 hereof shall apply, provided that on the retirement of any partner from the partnership, he shall enter into a covenant with the continuing partners that he will not open an office or practice in the ..... city or in or at any place within a radius of ..... kms. measured in a straight line from ..... either in his own name or as a partner in any other firm.

- (21) The notice to the parties under this deed shall be deemed to be duly served, if the same shall be delivered to him personally or sent by post in a registered letter addressed to him at his usual or last known place of abode in India.
- (22) If the partnership is determined by a notice by any partner or by any means not hereinbefore expressly provided for then, the partnership shall be wound up and assets distributed as provided by the Partnership Act, 1932.
- (23) All disputes and differences which shall arise between the partners or between the partners and legal representatives of one or more partners or between their respective legal representatives and whether during or after the determination of the partnership relating to the rights and liabilities or interpretation of this deed or to any act or omission of either party or matter or things done or to be done in pursuance hereof, such disputes and differences shall be referred to arbitration and award of Shri ..... and his decision and award shall be final and binding upon the parties.

IN WITNESS WHEREOF, the parties have hereunto set and subscribed their respective hands the day, month and year first above written.

Signed and delivered by the within named A

Signed and delivered by the within named B

Signed and delivered by the within named C

Signed and delivered by the within named D

WITNESSES;

1.

2.