

AGREEMENT dated:

20

BETWEEN: of

AND: of

AND: ("[COMPANY 1]") in its capacity as
trustee of the Family Trust;

AND: ("[COMPANY 2]") in its
capacity as trustee for the Family Trust.

WHEREAS:

A. The Partners have been carrying on business of the Partnership under the Partnership Name since .

B. The Partners now wish to record the terms under which the Partnership is carried on.

1. INTERPRETATION

1.1 Unless the context otherwise requires:

- (a) **"Agreement"** means this Agreement and any subsequent agreement that adds to, varies or amends this agreement in whole or in part;
- (b) **"Associate"** has the meaning given by section 995-1 of the *Income Tax Assessment Act 1997* or any other provision that replaces that section;
- (c) **"Bank Interest Rate"** means the highest rate of interest charged from time to time by the Partnership's principal banker on overdrafts of the amounts equal to the amount to which the interest is to be applied;
- (d) **"Capital Account"** means the account (if any) in the books of account of the Partnership that reflects the amount contributed by a Partner to the capital of the Partnership;
- (e) **"Client of the Partnership"** means any person for whom the Partnership provided services as part of the ordinary course of its business during the immediately preceding 24 months and any person, company, trust or other entity controlled by or related to that person;
- (f) **"Commencement Date"** means ;
- (g) **"Continuing Partners"** means a Partner who continue in the Partnership after the death, retirement or expulsion of a Partner;
- (h) **"Controller"** has the meaning given by section 9 of the Corporations Act;
- (i) **"Current Market Value of the Partnership"** will be determined in accordance with clauses 21.5 to 21.10 and has the meaning given in those clauses;
- (j) **"EBIT"** means the Partnership earnings before interest and tax determined in accordance with generally accepted accounting principles;

- (k) **"Income of the Partnership"** includes:
- (i) all fees, emoluments and other remuneration of a professional nature received by the Partnership or by any Partner in respect of the conduct of the Partnership; and
 - (ii) all directors' fees, trustee fees or commission agent's fees or commissions received by the Partnership or by any Partner that are, in any way related to the conduct of the Partnership, except as otherwise agreed by Ordinary Resolution of the Partners;
- (l) **"New Partners Proportion"** means the proportionate interest in the Partnership that a person will acquire upon becoming a Partner;
- (m) **"Ordinary Resolution"** means a resolution passed by simple majority of the Partners entitled to vote on the question present in person or by proxy (with the number of votes being determined in accordance with clause 20.7);
- (n) **"the Partners"** means the persons who from time to time carry on the Partnership and who are parties to this Agreement either because they are original parties to the Agreement or because they have agreed subsequently to become parties to the Agreement;
- (o) **"the Partnership"** means the business of conducting an advertising business which is carried on by the Partners with a view to making a profit under the Partnership Name which, at the date of this Agreement, is carried on from offices located at _____ and any related entities referred to in clause 27 as if consolidated into one entity;
- (p) **"Partnership Assets"** include those assets shown in the financial accounts for the Partnership from time to time, goodwill of the Partnership and such other assets as the Partners unanimously agree to be Partnership Assets for the purpose of this Agreement;
- (q) **"the Partnership Name"** means _____ or such other name or names as the Partners may from time to time by Special Resolution agree to adopt in the conduct of the Partnership business and in respect of which they have legal ownership;
- (r) **"the Principals"** means a person identified in this Agreement or by subsequent deed referred to in clause 21.2 as a Principal and, at the Commencement Date, means each of _____ and _____ ;
- (s) **"Related Partner"** means:
- (i) [COMPANY 1] in respect of the Principal _____ ; and
 - (ii) [COMPANY 2] in respect of the Principal _____ ;
- (t) **"Related Principal"** means:
- (i) _____ in respect of the Partner [COMPANY 1]; and

- (ii) in respect of the Partner [COMPANY 2];
- (u) **"Retirement Value"** means, subject to clause 22.1, the amount calculated in accordance with the following formula:

$$A \times 3 \times B$$

where: A = the average of the EBIT figures for the Partnership calculated over the last two whole Financial Years prior to the