

Please observe the important notes at the end of the contract text!

Sample articles of association for the establishment of a

"partnership under civil law" with two partners

between

Mr. Friedolin Muster

Musterweg 8

20102 Musterhausen

and

Mr. Max Müller

Musterweg 8

20102 Musterhausen

the following partnership agreement is concluded:

1. Name, registered office and purpose of the company

For the joint operation of a **retail toy store**, the signatories hereby establish a partnership under civil law under the name:

"Friedolin Muster und Max Muster, Spielwareneinzelhandel".

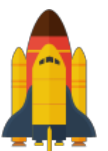
The partnership shall focus on all activities and legal transactions conducive to this purpose. Branches can be established.

The registered office of the partnership is **Musterhausen**.

2. Term of Partnership

The partnership begins on and shall go on indefinitely. The articles of association may be terminated at the end of a calendar year, which is subject to **six months** termination notice.

The termination notice shall be in writing.



3. Financial year

The fiscal year corresponds to the calendar year.

4 Contributions of the partners

Herr Muster contributes € in cash as well as furnishings and toys with a value of €. **Mr. Müller** contributes € in cash as well as furnishings and toys with a value of €. Both partners each hold half of the company's assets in proportion to their shares with immediate effect.

5. Management and Representation

The partners are jointly authorized to manage and represent the company. Each partner is entitled to manage the company alone. He represents the partnership solely in external relations.

In the internal relationship, the consent of both partners is required for the subsequent legal acts and transactions:

- Purchase, sale and encumbrance of land;
- Conclusion of rental and service contracts of any kind;
- Conclusion of contracts whose value in individual cases exceeds the amount of 5,000 €;
- Borrowing of loans, assumption of guarantees;
- Acceptance of new partners and increase of capital contributions.

6 Duties of the Partners

None of the partners may conduct business outside the company without the written consent of the other partners, regardless of the respective industry. This also includes direct or indirect participation in competing transactions. A contractual penalty of 2,500 € is payable for each violation.

The right to terminate without notice is reserved.

Each partner may require the other partner to accept all transactions concluded for his own account as having been entered into for the company. It follows from this that the remuneration received from such transactions must be surrendered or the claims for remuneration must be assigned to the partnership.

7. Profit and Loss Account / Right of Withdrawal

The profits and losses for the partnership are divided according to the shareholding of the partners. Each partner is entitled to an advance payment of €. Should the partnership fall into the red through payment of the advance remuneration after approval of the annual financial statements, the partners are obliged to provide appropriate compensation.

8 Termination of a Partner

In the event of termination, the terminated partner leaves the partnership. The remaining partner is entitled to acquire and continue the company with assets and liabilities excluding liquidation. The credit balance is to be paid to the outgoing partner.

Assets and liabilities must be stated at their true value when determining the credit balance. The business value may not be taken into account.

The credit balance must be paid out in four equal quarterly installments, the first of which is due three months after departure. Interest at the European Central Bank's main refinancing rate shall be charged on the credit balance from the date of departure.

9. Death of a Partner

In the event of a partner's death, article 8 shall apply accordingly providing that the credit balance sheet be drawn up on the day of death.

10 Right of Inspection

Each partner is entitled to information about the affairs of the company by inspecting the books and papers and to obtain an overview of the status of the company's assets from them.

Each partner may, at his own expense, involve a third party bound to professional secrecy while exercising these rights or commission a third party to exercise these rights.

11 Severability Clause

Should any provision of this contract be invalid, the validity of the remaining provisions shall remain unaffected.

In the event of invalidity, the partners undertake to make a new agreement, which economically corresponds to the ineffective regulation as closely as possible.

12. Amendments to the Contract

Amendments and additions of this contract must be provided in writing.

.....
Place, date

.....
Signature

Signature

***IMPORTANT NOTES**

This text is only an orientation aid for the conclusion of a GbR contract. However, no claim of completion is made. If you are unsure using the contract text, we strongly advise you to consult a suitably specialized lawyer .

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