

PARTNERSHIP AGREEMENT (Ontario)

THIS AGREEMENT made effective as of the ____ day of _____, _____.

BETWEEN:

[NAME OF PARTNER 1]
[address]
("Partner 1")

- and -

[NAME OF PARTNER 2]
[address]
("Partner 2")

- and -

[NAME OF PARTNER 3]
[address]
("Partner 3")

(collectively referred to as the "Partners" or "parties" or "parties hereto")

1 BACKGROUND

1.1 The parties hereto have agreed to form a partnership for the purpose of carrying on the business set out below (the "Partnership"), and are entering into this Agreement to set out their respective rights and obligations with respect to the Partnership.

THEREFORE, in consideration of the mutual promises set out in this Agreement, the sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

2 DEFINITIONS

2.1 "Act" means the *Partnership Act* of Ontario, as amended from time to time.

2.2 "Agreement" means this Partnership Agreement including all Schedules and any amendments hereto.

2.3 "Capital" means, with reference to any Partner, the value of money or other property contributed by such Partner to the Partnership, and with respect to the Partnership means the aggregate Capital of the Partnership.

2.4 "Capital Account" means the sub-ledger in the books and records of the Partnership which records the contribution and withdrawal of Capital by each Partner.

2.5 "Income Account" means the sub-ledger in the books and records of the Partnership which records the accumulation and withdrawal of profits, losses or income for the credit or debit of each Partner in accordance with the terms of this Agreement.

2.6 "Ordinary Resolution" shall be a resolution of the Partners approved by Partners holding more than 50% of the outstanding Ordinary Units.