

# ASSIGNMENT of PARTNERSHIP INTEREST

THIS ASSIGNMENT (the "Assignment") made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (the "Execution Date"), AMONGST:

\_\_\_\_\_ of \_\_\_\_\_  
(the "Assignor")

**OF THE FIRST PART**

**- AND-**

\_\_\_\_\_ of \_\_\_\_\_  
(the "Assignee")

**OF THE SECOND PART**

**- AND-**

\_\_\_\_\_ of \_\_\_\_\_  
(the "Remaining Partner")

**OF THE THIRD PART**

## **BACKGROUND**

- A. The Assignor is the holder of a partnership interest (the "Interest") in \_\_\_\_\_ (the "Partnership"), a partnership previously established on the \_\_\_\_\_, for the purpose of \_\_\_\_\_ and formed in accordance with an agreement (the "Partnership Agreement").
- B. The Assignor desires to assign the Interest to the Assignee and the Assignee desires to acquire the Interest from the Assignor.

C. The Assignee will acquire all rights in the Partnership previously afforded to the Assignor including the status as Partner. The Remaining Partner has agreed and gives consent to such assignment according to the terms and conditions of this Assignment.

**IN CONSIDERATION OF** and as a condition of the parties entering into this Assignment and other valuable consideration, the receipt and sufficiency of which consideration is acknowledged, the parties to this Assignment agree as follows:

**Sale and Purchase**

1. By this Assignment the Assignor withdraws from the Partnership and to the fullest extent permitted by the Partnership Agreement, assigns all its rights, interests, title and benefits in the Partnership to the Assignee. The Assignee will become a partner in the Partnership taking the place of the Assignor in the Partnership with all the rights and obligations previously afforded to the Assignor. The Assignee, as a Partner in the Partnership, will be bound by the terms and conditions of the Partnership Agreement as amended. On assignment of the Interest to the Assignee, the Assignor will cease to be a Partner in the Partnership.

**Consideration**

2. As full consideration for the assignment of the Interest the Assignee has submitted and the Assignor has accepted the following consideration:

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### **Closing**

3. The closing of the purchase and sale of the Interest (the "Closing") will take place on \_\_\_\_\_ (the "Closing Date") at the offices of the Assignor or at such other time and place as the Assignor and Assignee mutually agree.

### **Representations and Warranties of the Assignor**

4. The Assignor warrants that the Assignor has a general partnership interest in the Partnership and that the Assignor has the legal right to execute and perform an assignment of the Interest exclusive of the Assignor's status as Partner.
5. The Assignor warrants that the Interest is free and clear of all liens, encumbrances, restrictions and claims.
6. The Assignor warrants that on completion of this Assignment the Assignor will retain no residual interest or interests in the Partnership.
7. The Assignor warrants that the Assignor is not in any way in default of any of the expressed or implied terms and conditions of the Partnership Agreement. The Assignor also warrants that this Assignment is in full compliance with all terms and conditions of the Partnership Agreement.
8. The Assignor warrants that the Assignor is not bound by any other contractual agreement or legal requirement that would be violated by this Assignment.
9. The Assignor warrants that it has provided the Assignee with the most current copy of the Partnership Agreement inclusive of all amendments.
10. The Assignor warrants that no other consent is required from any third party or government entity authorizing this Assignment except for those consents of the Remaining Partner contained in this Assignment.

### **Assignee's Obligations**

11. On Closing of this Assignment, the Assignee will observe and perform any and all terms and conditions of the Partnership Agreement, relating to the newly acquired rights, that were previously binding on the Assignor.

### **Transitional Rights and Obligations**

12. To the full extent permitted by the Partnership Agreement, all income, rights, benefits, obligations and liabilities of the Interest will belong to the Assignor before the Closing and will transfer to the Assignee after the Closing.

### **Consent of Remaining Partners**

13. The Remaining Partner consents to the terms and conditions of this Assignment with the intent that the Assignee will become a Partner in the Partnership with all of the rights, benefits, obligations and liabilities previously afforded to the Assignor under the Partnership Agreement as amended.

### **Governing Law**

14. The Assignor and the Assignee submit to the jurisdiction of the courts of the State of California for the enforcement of this Assignment or any arbitration award or decision arising from this Assignment. This Assignment will be enforced or construed according to the laws of the State of California.

### **Mediation and Arbitration**

15. In the event a dispute arises out of or in connection with this Agreement the parties will attempt to resolve the dispute through friendly consultation.
16. If the dispute is not resolved within a reasonable period then any or all outstanding issues may be submitted to mediation in accordance with any statutory rules of mediation. If mediation is not successful in resolving the entire dispute or is unavailable, any outstanding issues will be submitted to final and binding arbitration in accordance with the laws of the State of California. The arbitrator's award will be final, and judgment may be entered upon it by any court having jurisdiction within the State of California.

### **Miscellaneous**

17. Time is of the essence in this Assignment.
18. This Assignment may be executed in counterparts. Facsimile signatures are binding and are considered to be original signatures.

19. All warrants and representations of the Assignor and the Assignee connected with this Assignment will survive the Closing.
20. This Assignment will not be assigned either in whole or in part by any party to this Assignment without the written consent of the other party.
21. Headings are inserted for the convenience of the parties only and are not to be considered when interpreting this Assignment. Words in the singular mean and include the plural and vice versa. Words in the masculine gender include the feminine gender and vice versa. Words in the neuter gender include the masculine gender and the feminine gender and vice versa.
22. If any term, covenant, condition or provision of this Assignment is held by a court of competent jurisdiction to be invalid, void or unenforceable, it is the parties' intent that such provision be reduced in scope by the court only to the extent deemed necessary by that court to render the provision reasonable and enforceable and the remainder of the provisions of this Assignment will in no way be affected, impaired or invalidated as a result.
23. This Assignment contains the entire agreement between the parties. All negotiations and understandings have been included in this Assignment. Statements or representations which may have been made by any party to this Assignment in the negotiation stages of this Assignment may in some way be inconsistent with this final written Assignment. All such statements are declared to be of no value in this Assignment. Only the written terms of this Assignment will bind the parties.
24. This Assignment and the terms and conditions contained in this Assignment apply to and are binding upon the Assignor, the Assignee, the Remaining Partner and their respective successors, assigns, executors, administrators, beneficiaries, and representatives.
25. Any notices or delivery required here will be deemed completed when hand-delivered, delivered by agent, or seven (7) days after being placed in the post, postage prepaid, to the parties at the addresses contained in this Assignment or as the parties may later designate in writing.
26. All of the rights, remedies and benefits provided by this Assignment will be cumulative and will not be exclusive of any other such rights, remedies and benefits allowed by law.

**IN WITNESS WHEREOF** the Assignor, the Assignee and the Remaining Partner have duly affixed their signatures under hand and seal on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

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Witness (optional)

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Witness (optional)

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Witness (optional)