

JOINT VENTURE AGREEMENT

This JOINT VENTURE AGREEMENT is made on _____, 20 ____ between
_____ and
_____.

RECITALS

The Joint Venturers have agreed to make contributions to a common fund for the purpose of acquiring and holding: _____

_____ called the business interest. The Joint Venturers consider it advisable to acquire and hold their business interest through a nominee so as to avoid the necessity of numerous separate agreements, to maintain the legal title to the business interest in a simple and practicable form and to facilitate the collection and distribution of the profits accruing under the business interest, and has agreed to act as nominee of the Joint Venturers with the understanding that he is also acquiring a participating interest in this joint venture on his own account, It is therefore agreed:

1. **Purpose.** The Joint Venturers form this joint venture to acquire and hold the business interest in common and to provide the finances required for its acquisition. To the extent set forth in this Agreement, each of the Joint Venturers shall own an undivided fractional part in the business. The Joint Venturers appoint as their agent _____, whose duty it shall be to hold each of the undivided fractional parts in the business interest for the benefit of and as agent for the respective Joint Venturers.

2. **Contributions.** The Agent acknowledges that he has received from each of the Joint Venturers, for the purpose of this joint venture, the sum set after the name of each Joint Venturer as follows: Contribution to Name Joint Venture

3. **Acquisition of Business Interest.** The Agent is authorized to acquire and hold in his own name, but on behalf of the Joint Venturers (of which the Agent is one), the business interest, and to pay \$_____ for it as follows: \$_____ in cash, and the balance of \$_____ by a note in that amount. The note shall bear interest at the rate of __%, shall be due and payable on _____, with prepayment privileges, and shall be secured by _____ which the Agent is authorized to execute and deliver.

4. **Profits.** The Agent shall hold and distribute the business interest and shall receive the net profits as they accrue for the term of this Agreement or so long as the Joint Venturers are the owners in common of the business interest, for the benefit of the Joint Venturers as follows:
Name Proportion _____

5. **Expenses of Venture.** All losses and disbursements incurred by the Agent in acquiring, holding and protecting the business interest and the net profits shall, during the period of the venture, be paid by the Joint Venturers, on demand of the Agent, in the ratio which the contribution of each Joint Venturer bears to the total contributions set forth in paragraph 2;

6. **Liability of Agent.** The Agent shall be liable only for his own willful misfeasance and bad faith and no one not a party to this Agreement shall have any rights whatsoever under this Agreement against the Agent for any action taken or not taken by him.

7. **Term.** This Agreement shall terminate and the obligations of the Agent shall be deemed completed on the happening of either of the following events: (a) The receipt and distribution by the Agent of the final net profits accruing under the business interest. (b) Termination by mutual assent of all joint ventures.

8. **Compensation of Agent.** Unless otherwise agreed to in the future by a majority in interest of the Joint Venturers, the Agent shall not receive any compensation for services rendered by him under this Agreement.

In witness whereof the Agent and the Joint Venturers have signed and sealed this Agreement.
