

DISSOLUTION PARTNERSHIP AGREEMENT

Partnership Name: [PARTNERSHIP NAME] **Governing State:** [STATE] **Effective Date:**

Recitals

WHEREAS, the Partners entered into that certain Partnership Agreement dated (the "Partnership Agreement") forming [PARTNERSHIP NAME] (the "Partnership"); and

WHEREAS, the Partners have determined to dissolve and wind up the Partnership effective (the "Dissolution Date");

NOW, THEREFORE, the Partners agree as follows:

1. Dissolution

The Partnership is hereby dissolved effective as of the Dissolution Date. The reason for dissolution is: **Mutual Consent**. From and after the Dissolution Date, the Partnership shall cease to carry on its business except as necessary to wind up its affairs and liquidate its assets in accordance with this Dissolution Agreement and applicable law (RUPA §§801–807 or the analogous state statute).

2. Appointment of Winding-Up Partner

[PARTNER RESPONSIBLE FOR WINDING UP AFFAIRS] is appointed as the partner responsible for winding up (the "Winding-Up Partner"), with full authority to: (a) collect receivables; (b) sell or liquidate assets in a commercially reasonable manner; (c) pay creditors; (d) file final tax returns; (e) cancel registrations, licenses, and DBAs; (f) close bank accounts; and (g) execute all documents necessary to wind up. The winding-up period shall not exceed **180** days from the Dissolution Date unless extended by unanimous written consent.

3. Statement of Dissolution / Certificate of Cancellation

4. Notice to Creditors

The Winding-Up Partner shall give written notice of dissolution to all known creditors and publish notice as required or permitted by [STATE] law to bar claims of unknown creditors.

5. Priority of Distributions (RUPA §807)

Partnership assets shall be applied and distributed in the following order:

1. **Creditors** (other than Partners) — all debts, taxes, and liabilities;
2. **Partner loans** — with accrued interest;

3. **Capital accounts** — repayment of positive capital account balances; and
4. **Residual distribution** — any remaining assets distributed in proportion to positive capital account balances after giving effect to all final allocations.

Reserve for contingent liabilities. Before making final distributions, the Winding-Up Partner shall establish a reasonable reserve for contingent or unmatured liabilities. Any unused reserve remaining after the applicable limitations period shall be distributed in the same order of priority.

6. Final Tax Matters

Final Form 1065 and K-1s. The Winding-Up Partner, in coordination with the Partnership Representative, shall cause the Partnership to file a final IRS Form 1065 marked "Final Return" for the short taxable year ending on the Dissolution Date, and shall issue final Schedule K-1s (marked "Final K-1") to each Partner.

State final returns. File final state income, franchise, and sales/use tax returns; obtain any required tax clearance certificates before dissolving the entity of record.

EIN closure. Send written notice to the IRS requesting closure of the Partnership's EIN account after the final return is accepted.

7. Continuing Obligations

The following provisions of the Partnership Agreement survive dissolution: (a) confidentiality; (b) indemnification of the Partnership Representative and Winding-Up Partner; (c) dispute resolution and governing law; and (d) any restrictive covenants that by their terms extend beyond dissolution.

8. Mutual Release

Effective upon completion of the final distribution under Section 5, each Partner, on behalf of the Partner and the Partner's heirs, successors, and assigns, hereby irrevocably releases and forever discharges each other Partner and the Partnership from any and all claims, demands, causes of action, liabilities, and obligations, known or unknown, arising out of or relating to the Partnership or the Partnership Agreement through the Dissolution Date, **except** for (i) the obligations set forth in this Dissolution Agreement, (ii) claims arising from fraud, willful misconduct, or intentional breach, (iii) indemnification obligations for pre-dissolution acts, and (iv) obligations that expressly survive under Section 7.

9. Representations

Each Partner represents that: (a) the Partner has authority to execute this Dissolution Agreement; (b) the Partner has not assigned or transferred any claim released hereunder; and (c) the Partner has had the opportunity to consult with independent counsel.

10. Dispute Resolution and General

Mediation → **AAA arbitration** in [VENUE CITY], [STATE].

Governing law: [STATE]. Counterparts; ESIGN; written notices.

Signatures

Partner 1

_____ PRINTED NAME

_____ SIGNATURE

_____ DATE

Partner 2

_____ PRINTED NAME

_____ SIGNATURE

_____ DATE