

**PARTNERSHIP AMENDMENT AGREEMENT**

**THIS PARTNERSHIP AMENDMENT AGREEMENT** (the "Amendment") made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "Execution Date"),

**BETWEEN:**

\_\_\_\_\_ of \_\_\_\_\_, and  
\_\_\_\_\_ of \_\_\_\_\_  
(individually the "Partner" and collectively the "Partners").

**BACKGROUND:**

- A. The parties to this Amendment are the Partners in a general partnership agreement (the "Partnership Agreement") formed on the ... day of ....., 20....
- B. The Partners desire to amend the current Partnership Agreement to reflect a new understanding.
- C. This is the first amendment to the Partnership Agreement.
- D. The partnership that forms the subject of this Amendment is called \_\_\_\_\_ of \_\_\_\_\_ It was formed for the purpose of:  
\_\_\_\_\_

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

**Amendment**

- 1. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Partnership Representative**

2. \_\_\_\_\_ will be the partnership representative (“the Partnership Representative”) with the sole authority to act on behalf of the Partnership in relation to ..... tax audits pursuant to .....
3. The Partnership Representative is appointed for the current tax year and subsequent tax years until otherwise designated by the Partners.
4. The Partnership Representative will promptly advise the Partners of any audit of the Partnership initiated by the ..... and provide regular updates to the Partners on the progress of such audits and any resulting settlement negotiations. The Partnership Representative will be generally accountable to the Partners and will obtain the majority approval of the Partners for (i) any decisions affecting the tax liability of the Partnership or the Partners; and (ii) any decision finalizing tax settlement with the .....
5. The Partnership Representative may resign from the position by serving notice in writing on both the Partnership and the IRS. The Partnership, acting by majority vote, may revoke the designation of the Partnership Representative by serving notice on the Partnership Representative and the IRS and simultaneously appointing a new Partnership Representative for that taxable year.
6. Whether serving in an active capacity or not, any person who has served as Partnership Representative in respect of any given taxable year or portion thereof will remain accountable to the Partnership, throughout the period of limitation relating to that taxable year, in respect of any notification received from the ..... and will promptly advise the Partnership of any and all such correspondence.
7. In the event that a tax settlement reached between the ..... and the Partnership Representative is not satisfactory to one or more of the Partners and the matter cannot be resolved through negotiation in good faith at a meeting of the Partners, then, two weeks, or such longer period as the partners may agree, following such meeting the Partners agree to submit the dispute to mediation.
8. To the extent that the role of ‘tax matters partner’ as defined in the Partnership Agreement overlaps or conflicts with the role of Partnership Representative set out in this Amendment, the clauses in this Amendment will prevail and supersede the corresponding clauses in the Partnership Agreement.

**Governing Law**

9. The Partnership Agreement will be governed by and construed in accordance with the laws of .....

**Reaffirmation**

10. The Partnership Agreement in its original and amended form will remain in full force and effect except as expressly modified by this Amendment.

**Execution**

11. On and after the execution date of this Amendment, any reference in the original Partnership Agreement to "the Agreement" or any words of similar meaning will refer to the original Partnership Agreement as amended by this Amendment.

**Miscellaneous**

12. Time is of the essence in this Amendment.
13. This Amendment may be executed in counterpart.
14. This Amendment will not be assigned either in whole or in part by any party to this Amendment without the written consent of the other party.
15. Headings are inserted for the convenience of the parties only and are not to be considered when interpreting this Amendment. 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.
16. This Amendment and the terms and conditions contained in this Amendment apply to and are binding upon the Partners' successors, assigns, executors, administrators, beneficiaries, and representatives.
17. If any term, covenant, condition or provision of this Amendment 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 Amendment will in no way be affected, impaired or invalidated as a result.

- 18. All negotiations and understandings intended to be included in this Amendment have been included in this final written Amendment. Statements or representations which may have been made by any party to this Amendment in the negotiation stages of this Amendment may in some way be inconsistent with this final written Amendment. All such statements are declared to be of no value in this Amendment. Only the written terms contained in this final written Amendment will bind the parties.
  
- 19. 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 Amendment or as the parties may later designate in writing.
  
- 20. All of the rights, remedies and benefits provided by this Amendment will be cumulative and will not be exclusive of any other such rights, remedies and benefits allowed by law.

**IN WITNESS WHEREOF** the parties have duly affixed their signatures under hand and seal on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
\_\_\_\_\_(Partner)

\_\_\_\_\_  
\_\_\_\_\_(Partner)