

## ***PARTNERSHIP AGREEMENT***

This Partnership Agreement (the "Agreement") is made and entered into this May 01, 2015 (the "Effective Date"). The Partners in this Agreement are as follows:

- Tyler Tillinghast
- Christian Gazaway

The Partners to this Agreement agree to the following:

### **I. NAME**

This Partnership will be known as On Top Records, LLC. (the "Partnership").

### **II. THE PARTNERSHIP**

- The Partners wish to become legal partners in business.
- The terms and conditions of their Partnership will be outlined in this Agreement.
- If the Agreement is executed, the Partnership will be in effect on May 01, 2015.
- The Partnership will only be terminated as outlined in this Agreement.
- The Partnership's primary place of business will be 1108 Avon Ct., Union, Kentucky, 41091.
- The Partnership will be governed under the laws of the state of Kentucky.
- The Partnership's primary purpose is The purpose of the partnership is to jointly own and operate On Top Records, LLC..
- If applicable, the Partners will obtain any necessary licenses and permits to do business, register its Doing Business As Name ("DBA"), and obtain a Federal Employer Identification Number ("EIN").

### **III. CONTRIBUTIONS**

The Partners will make an initial contribution to the Partnership as follows:

- Tyler Tillinghast: \$0.00
- Christian Gazaway: \$0.00

Contributions will be submitted no later than \_\_\_\_\_. All capital contributions are final unless all partners give written consent of withdrawal. All contributions will be deposited into a joint capital account.

#### **IV. INTEREST AND AUTHORITY**

The Partners' ownership interest in the Partnership will be as follows:

- Tyler Tillinghast: 50%
- Christian Gazaway: 50%

The Partners' authority will be defined by the following unless otherwise stated in the Agreement: All partners will have an equal vote. No Partner is authorized to act on their own in obtaining contracts, financial, or other obligations on the Partnership. Decisions will be based on a majority of equal votes.

#### **V. COSTS**

The Partners will share costs according to the following percentages:

- Tyler Tillinghast: 50%
- Christian Gazaway: 50%

#### **VI. PROFITS**

The Partners will share the net profits of the Partnership according to the following percentages:

- Tyler Tillinghast: 50%
- Christian Gazaway: 50%

The Profits will be accounted by Tyler Tillinghast and Christian Gazaway (Shared) and distributed on the the 1st and the 15th of the month according to the above percentages after the costs of the Partnership have been paid according to the above cost percentages.

#### **VII. SALARY**

All Partners must give their unanimous consent if a permanent salary is to be established and their unanimous consent for the amount of salary to be given to each Partner.

## **VIII. ACCOUNTING**

- All accounts related to the Partnership including contribution and distribution accounts will be audited upon a majority vote of the Partners.
- All Partners will maintain a joint contribution account. All Partners will maintain a joint distribution account. Partners will keep accurate and complete books of account for all accounts related to the Partnership. Any Partner, whether majority or minority, will be allowed to review all books of account at any time they request.
- Each Partner will be responsible for his or her own taxes on any distributions made.
- Accounting records will be kept on a cash basis.
- The fiscal year will be complete on the last day of August of each year. All Partners will present their position on the state of the Partnership within two weeks of the completion of each fiscal year.
- The following partners will be able to sign checks from any joint Partner account:
  - Tyler Tillinghast
  - Christian Gazaway

## **IX. NEW PARTNERS**

The Partnership will amend this agreement to include new partners upon the written and unanimous vote of all Partners.

The name of the Partnership may be amended if a new Partner is added to the Partnership upon the written and unanimous vote of all Partners.

## **X. WITHDRAWAL OR DEATH**

The Partners hereby reserve the right to withdraw from the Partnership at any time. Should a Partner withdraw from the Partnership because of choice or death, the remaining Partners will have the option to buy out the remaining shares of the Partnership. Should the Partners agree to buy out the shares, the shares will be bought in equal amounts by all Partners. The Partners agree to hire an outside firm to assess the value of the remaining shares. Only upon the partners' unanimous agreement will the outside firm's valuation of the shares be considered final. The Partners will have 0 days to decide if they want to buy the remaining shares together and disperse them equally. If all Partners do not agree to buy the shares, individual Partners will then have the right to buy the shares individually. If more than one Partner requests to buy the remaining shares, the shares will be split

equally among those Partners wishing to purchase the shares. Should all Partners agree by unanimous vote, the Partnership may choose to allow a non-Partner to buy the shares thereby replacing the previous Partner.

If no individual Partner(s) finalize a purchase agreement by 0 days, the Partnership will be dissolved.

The name of the Partnership may be amended upon the written and unanimous vote of all Partners if a Partner is successfully bought out.

## **XI. DISSOLUTION**

Should the Partnership be dissolved by unanimous vote, the Partnership will be liquidated, and the debts will be paid. All remaining funds after debts have been paid will be distributed based on the percentage of ownership interest outlined in this Agreement.

## **XII. AMENDMENTS**

- Amendments may be made hereto upon the unanimous and written consent of all Partners.
- Amendments must be expressly written and have the original signatures of all Partners.
- All amendments, notices, requests, claims, demands and other communications between the parties shall be in writing. All such written communications shall be given (i) by delivery in person, (ii) by a nationally recognized next day courier service, (iii) by first class, registered or certified mail, postage prepaid, (iv) by facsimile or (v) by electronic mail to the addresses of the parties specified in this Agreement or such other addresses specified in writing. All notices shall be effective upon (i) receipt by the party to which the written communication is given, or (ii) on the 5th day following mailing, whichever occurs first.

## **XIII. SETTLING DISPUTES**

All Partners agree to enter into mediation before filing suit against any other Partner or the Partnership for any dispute arising from this Agreement or Partnership. All Partners agree to attend one session of mediation before filing suit. The Partners agree that any and all disputes, claims or controversies arising out of or relating to this Agreement shall be submitted to the American Arbitration Association, or similar dispute resolution service, for mediation, and if the matter is not resolved through mediation, then it shall be submitted to the American Arbitration Association, or similar dispute resolution service, for final and binding arbitration. Judgment on the Award may be entered in any court having jurisdiction. If the dispute is not settled after one session of mediation and if the arbitration process does not resolve the dispute, the Partners are free to file suit. Any law suits will be under the jurisdiction of the state of Kentucky.

This Partnership Agreement is executed and agreed to by:

*Christian Javoir Gazaway*

Christian Javoir Gazaway  
gazaway.christian@gmail.com  
April 07, 2015 at 08:23 pm  
Recorded at IP 24.164.91.38

*Tyler Jacob Tillinghast*

Tyler Jacob Tillinghast  
t.hast16@gmail.com  
April 07, 2015 at 08:26 pm  
Recorded at IP 65.185.120.10

Scan this code with your  
smartphone to manage  
your Partnership  
Agreement online.

