

PROVISIONS TO BE CONSIDERED	NOTES
<p style="text-align: center;">INTRODUCTION</p> <p>Purpose and currency of checklist. This checklist is designed to be used with the CLIENT IDENTIFICATION, VERIFICATION, AND SOURCE OF MONEY (A-1), CLIENT FILE OPENING AND CLOSING (A-2), and PARTNERSHIP AGREEMENT PROCEDURE (B-8) checklists. The provisions suggested in this checklist must be considered in relation to the particular facts in the matter at hand, and augmented and revised as appropriate. This checklist is current to September 1, 2022. All section references are to the <i>Partnership Act</i>, R.S.B.C. 1996, c. 348, unless otherwise indicated.</p> <p>New developments:</p> <ul style="list-style-type: none"> • COVID-19 pandemic. The COVID-19 pandemic continues to have significant impacts on business: inability to attend, or aversion to, in-person meetings; possible delays at government agencies and public registries; unpredictable economic circumstances, etc. Counsel should keep apprised of developments related to COVID-19 (and response measures) that may affect their clients' businesses or transactions. Note that: <ul style="list-style-type: none"> ○ The Land Title Survey Authority has implemented temporary practice changes that remain effective until further notice. The main changes involve remote witnessing procedures and acceptance of true copies instead of originals. For further information see: ltsa.ca/covid-19-resources/. ○ Counsel conducting due diligence searches will need to be mindful of the impact of the COVID-19 pandemic. Response times for search requests may be delayed and, accordingly, such delays should be accounted for in the due diligence timeline. Counsel should be aware that search results may not disclose certain actions, fines, levies, or administrative penalties which have been delayed but are otherwise permitted to be filed or issued beyond the typical limitation period. • Arbitration Act. The <i>Arbitration Act</i>, S.B.C. 2020, c. 2, came into force on September 1, 2020. It is strongly recommended that practitioners review the new legislation prior to drafting or revising arbitration clauses in agreements. 	

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<ul style="list-style-type: none"> • Enhanced scrutiny under the <i>Investment Canada Act, R.S.C. 1985, c. 28 (1st Supp.)</i>. On April 18, 2020, in response to COVID-19, the Minister of Innovation, Science and Industry announced a new policy under which the Government of Canada will subject certain foreign investments to additional scrutiny. The policy targets foreign investments in Canadian businesses that are related to public health or involved in the supply of critical goods and services. See the full policy statement at www.ic.gc.ca/eic/site/ica-lic.nsf/eng/lk81224.html. • Land Owner Transparency Act. The <i>Land Owner Transparency Act, S.B.C. 2019, c. 23</i> (the “<i>LOTA</i>”) came into force on November 30, 2020 (except for certain specified provisions that came into force on April 30, 2021). The <i>LOTA</i> includes the Land Owner Transparency Regulation, B.C. Reg. 250/2020, also made effective November 30, 2020. The <i>LOTA</i> requires a transparency declaration, or report (if applicable), to be filed in the new Land Owner Transparency Registry (the “<i>LOTR</i>”) any time an application is made to register or transfer an interest in land under the <i>Land Title Act, R.S.B.C. 1996, c. 250</i>. A partner of a relevant partnership applying to register an interest in land under the Land Title Act must submit a declaration confirming whether it is a reporting body, as well as a transparency report setting out specified information about individual partnership interest holders. This specified information will be publicly available on the <i>LOTR</i>. For further information, see the Land Owner Transparency Registry website and also the course presentation and materials by S. Carter, R. Danakody, and C.R. MacDonald, “Land Title and Survey Authority of British Columbia: Land Owner Transparency Registry”, in <i>Residential Real Estate Conference 2020</i> (CLEBC, 2020), and by R. Danakody and T. Norman, “Land Owner Transparency Registry (<i>LOTR</i>)” in <i>Real Estate Development Update 2021</i> (CLEBC, 2021), available through CLEBC Courses on Demand. • MRAS. The Multi-Jurisdictional Registry Access Service (The “<i>MRAS</i>”) was introduced on June 29, 2020. The <i>MRAS</i> allows for the sharing of information under the New West Partnership Trade Agreement (the “<i>NWPTA</i>”). Extraprovincial registration (or cancellation thereof) under the <i>NWPTA</i> must be made through each extraprovincial jurisdiction, and not through the home jurisdiction. For instance, prior to June 29, 2020, when a British Columbia company wanted to be extraprovincially registered in Alberta, the filing was made through BC Online. Now, the extraprovincial filing must be made through the Alberta Corporate Registry. 	

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<ul style="list-style-type: none"> Manitoba joins NWPTA. British Columbia and Alberta agreed, under the Trade, Investment and Labour Mobility Agreement, to reconcile their business registration and reporting requirements, so that an enterprise meeting the requirements of one province will be deemed to meet the requirements of the other. The relevant provisions of the <i>Trade, Investment and Labour Mobility Agreement Implementation Act</i>, S.B.C. 2008, c. 39 (the “<i>TILMA Act</i>”), and the Extraprovincial Companies and Foreign Entities from a Designated Province Regulation, B.C. Reg. 88/2009, came into force on April 27, 2009. The <i>TILMA Act</i> added several sections to the <i>BCA</i> and amended others. The NWPTA between British Columbia, Alberta, Saskatchewan, and Manitoba eliminates the requirement for British Columbia companies extraprovincially registered in those provinces to make separate filings there for annual returns or changes of directors (it does not eliminate the need for extraprovincial registration). Manitoba’s financial services and business registration and reporting became subject to the NWPTA effective January 1, 2020. Under Part 7 of the <i>Partnership Act</i>, the Lieutenant Governor in Council may name “designated provinces” and make regulations affecting foreign partnerships, limited partnerships, and extraprovincial limited liability partnerships from such a province. Effective January 1, 2020, Alberta, Saskatchewan, and Manitoba are “designated provinces”. For information about Corporate Registry procedures pursuant to the NWPTA, visit the NWPTA page on the Corporate Registry website at www.bcregistryservices.gov.bc.ca <p>Of note:</p> <ul style="list-style-type: none"> Money laundering—companies, trusts, and other entities. The prevalence of money laundering in British Columbia (particularly in the area of real estate) continues to be a concern. The provincial government established the Commission of Inquiry into Money Laundering in British Columbia, which was led by Austin Cullen J. as the commissioner. The Cullen Commission’s final report was publicly released on June 15, 2022. For more information on the Cullen Commission, and the link to the full report, see LAW SOCIETY NOTABLE UPDATES LIST (A-3). <p>As a means of laundering money, criminals use ordinary legal instruments (such as shell and numbered companies, bare trusts, and nominees) in the attempt to disguise the true owners of real property, the beneficial owners. These efforts can be hard to detect. As such, lawyers must assess the facts and context of the proposed retainer and financial transactions. Lawyers should be aware of red flags, and if a lawyer has doubts or suspicions about whether they could be assisting in any dishonesty, crime, or fraud, they should make enough inquiries to determine whether it is appropriate to act (<i>BC Code</i> rules 3.2-7 and 3.2-8 and Law Society Rules 3-103(4), 3-109, and 3-110). See the resources on the Law Society’s Client ID & Verification resources webpage such as the Source of Money FAQs, Risk Assessment Case Studies for the Legal Profession in the context of real estate, trusts, and companies, and the Red Flags Quick Reference Guide. Also see the Risk Advisories for the Legal Profession regarding real estate, shell corporations, private lending, trusts, and litigation; and “Forming Companies and Other Structures—Managing the Risk (<i>Benchers’ Bulletin</i>, Spring 2021); and the Discipline Advisories including country/geographic risk and private lending. Lawyers may contact a Law Society practice advisor at practiceadvice@lsbc.org for a consultation about the applicable <i>BC Code</i> rules and Law Society Rules and obtain guidance.</p> Tax alert. As many aspects of a partnership agreement may have significant tax implications for the parties, it is recommended the parties seek advice from their respective tax advisors on the formation and governance of the partnership. 	

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<ul style="list-style-type: none"> • Aboriginal law. Special considerations apply to businesses involving First Nations persons and First Nations lands (still defined in the <i>Indian Act</i>, R.S.C. 1985, c. I-5 as “Indians” and “reserves”). While significant tax and other advantages may be available under the <i>Indian Act</i>, these are affected by the type of business, transaction nature, business entity (sole proprietorship, partnership, joint venture, trust, or incorporated company), location of business activity on or off First Nations land, and the specific First Nation and its governance. In addition to <i>Indian Act</i> considerations, some First Nation entities have entered into treaties or self-government agreements that may have governance, taxation, land, and other business-related implications. The Crown’s duty to consult and, where appropriate, seek accommodation with respect to decisions or activities potentially affecting Aboriginal or treaty rights and title may also have implications for businesses with government agreements, government-issued tenures, or seeking Crown permits, authorizations, or approvals. Businesses that engage in activities on, or potentially affect, reserve lands or lands subject to treaty rights or claims of Aboriginal rights or title are strongly encouraged to familiarize themselves with applicable laws and government policies. Consider seeking the advice of a lawyer who has experience in Aboriginal law matters. Further information on Aboriginal law issues is available on the “Aboriginal Law” page on the “Practice Areas” section of the Continuing Legal Education Society of British Columbia website (www.cle.bc.ca) and in other CLEBC publications. See also <i>Negotiating and Structuring Business Transactions with First Nations 2011</i> (CLEBC, 2011), as well as M.J. MacDonald, “First Nations Partnerships”, in <i>Working with Partnerships 2016</i> (CLEBC, 2016), available through CLEBC Courses on Demand. • Additional resources. For further information about partnership agreements, see <i>Advising British Columbia Businesses</i> (CLEBC, 2006–), <i>Partnerships and Societies for Legal Support Staff and Junior Lawyers 2011</i> (CLEBC, 2011), and <i>Working with Partnerships 2016</i> (CLEBC, 2016). • Law Society of British Columbia. For changes to the Law Society Rules and other Law Society updates and issues “of note”, see LAW SOCIETY NOTABLE UPDATES LIST (A-3). The Law Society’s resources related to procedures generally and issues arising from COVID-19 can be viewed at www.lawsociety.bc.ca/about-us/covid-19-response/. 	

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<p style="text-align: center;">CONTENTS</p> <ol style="list-style-type: none"> 1. Initial Contact 2. Effective Date of Agreement 3. Identification of Parties 4. Recitals 5. Interpretation 6. Partnership 7. Conduct of the Affairs of the Partnership 8. Financing 9. Partnership Property 10. Transfer and Encumbrance of Interest in Partnership 11. Effect on the Partnership of Various Events 12. Dissolution 13. Miscellaneous and General Provisions <p style="text-align: center;">CHECKLIST</p> <ol style="list-style-type: none"> 1. INITIAL CONTACT <ol style="list-style-type: none"> 1.1 Complete the CLIENT FILE OPENING AND CLOSING (A-2) and PARTNERSHIP AGREEMENT PROCEDURE (B-8) checklists. Confirm compliance with Law Society Rules 3-98 to 3-110 for client identification and verification and the source of money for financial transactions, and complete the CLIENT IDENTIFICATION, VERIFICATION, AND SOURCE OF MONEY (A-1) checklist. Consider periodic monitoring requirements (Law Society Rule 3-110). 2. EFFECTIVE DATE OF AGREEMENT 3. IDENTIFICATION OF PARTIES <ol style="list-style-type: none"> 3.1 Distinguish general and limited partners. 3.2 Provide for the addition of partners. 4. RECITALS <ol style="list-style-type: none"> 4.1 General statement of the legal relationship between the parties and the reasons for entering into the agreement. 4.2 Statement relating the recitals to the rest of the agreement. 5. INTERPRETATION <ol style="list-style-type: none"> 5.1 Definitions: <ol style="list-style-type: none"> .1 Specific definitions (consider setting out in a schedule). .2 Statement that accounting terms not defined have the meanings ascribed to them in accordance with Generally Accepted Accounting Principles (GAAP), including any new applicable principles based on Accounting Standards for Private Enterprises (ASPE) or International Financial Reporting Standards (IFRS), as applicable. 	

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<p>5.2 Choice of law and forum.</p> <p>5.3 General principles that govern the interpretation of the agreement (e.g., use of the masculine form, insertion of headings for convenience only).</p> <p>5.4 Schedules, such as:</p> <ul style="list-style-type: none"> .1 Definitions (see item 5.1.1 in this checklist). .2 Pro forma budget (see item 7.8 in this checklist). .3 Assets that are partnership property (see item 9.2 in this checklist). 	
<p>6. PARTNERSHIP</p> <p>6.1 Establishment of the partnership.</p> <p>6.2 Name:</p> <ul style="list-style-type: none"> .1 Note any limits on names and business name reservation provisions for all partnerships (see the PARTNERSHIP AGREEMENT PROCEDURE (B-8) checklist). .2 For a limited partnership, ensure compliance with s. 53. .3 For a limited liability partnership, use one of the required descriptions at the end of the business name (<i>Partnership Act</i>, s. 100). .4 Consider provisions regarding amendment and, where the partnership name includes the names of partners, retention or deletion of the name of a departed partner and indemnification from any liability resulting from continued use of that name. <p>6.3 Description of business.</p> <p>6.4 Place or places of business.</p> <p>6.5 Offices. Consider whether the partnership should be extraprovincially registered in other jurisdictions. For registration requirements outside British Columbia with respect to general partnerships, consult the partnership legislation of the province in question. With respect to limited partnerships and limited liability partnerships, the NWPTA eliminates certain duplicative reporting requirements for extraprovincial registration in Alberta, Saskatchewan, and, as of January 1, 2020, Manitoba. See “Manitoba Joins NWPTA” and “MRAS” under “New developments” in this checklist.</p> <p>6.6 Term. For example, does it commence before execution? (Note that limited partnerships do not commence until the certificate is filed, and limited liability partnerships do not become such until the registration statement is filed, and therefore activities prior to those times could have been undertaken as general partners.) Does the partnership continue until a specified date, or until terminated as provided in the agreement?</p> <p>6.7 Addition of partners:</p> <ul style="list-style-type: none"> .1 Terms and conditions. .2 Restrictions (e.g., maximum number of partners). 	
<p>7. CONDUCT OF THE AFFAIRS OF THE PARTNERSHIP</p> <p>7.1 Duties and powers of partners, including any restrictions on powers, distinguishing where appropriate between types of partners (i.e., general and limited) and individual partners, and including such matters as:</p>	

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<p>.1 How major decisions are made (e.g., see item 8.7 of the SHAREHOLDERS' AGREEMENT DRAFTING (B-7) checklist).</p> <p>.2 How day-to-day decisions are made.</p> <p>.3 Partners' duties to be considered:</p> <p>(a) Duty to devote full energy, a specified amount of time, or a particular skill to the business of the partnership, subject to any prescribed right to vacations and sabbaticals and subject to any carve-out of activities not intended to be covered by the partnership agreement.</p> <p>(b) Duty not to compete (and what constitutes competition) while a partner and for a reasonable time thereafter, within a reasonable geographic area, or not to solicit customers or employees for a reasonable time after ceasing to be a partner. Alternatively, consider provision for payment of a specified sum, or a reduction in capital to be returned, in the event the partner competes with the partnership or solicits clients after ceasing to be a partner.</p> <p>(c) Duty not to disclose or use any confidential information acquired by reason of the partner's association with the partnership, both while a partner and for a reasonable time thereafter.</p> <p>(d) Methods for authorizing exceptions.</p> <p>.4 Filing a registration statement for a general partnership under ss. 81 and 82, if required.</p> <p>.5 Specific duties of the general partner of a limited partnership, such as:</p> <p>(a) Filing s. 51 certificate and any amendments or cancellations that may be required.</p> <p>(b) Establishing an office and keeping records there (as required for a limited partnership, pursuant to s. 54).</p> <p>.6 Filing a registration statement under s. 96 for a limited liability partnership.</p> <p>.7 Filing annual reports under s. 110 for a limited liability partnership.</p> <p>7.2 Is a partners' committee to be established? Will it have specified duties and powers (e.g., its consent may be required for specified major decisions or for permitting a partner to compete or act in a conflict of interest) while considering the liability position of limited partners?</p> <p>7.3 General partner has power of attorney for limited partner(s) for specified purposes (e.g., filing amendments to certificate of limited partnership).</p> <p>7.4 Meetings, including rights of limited partners:</p> <p>.1 Place and time.</p> <p>.2 Calling a meeting, including notice requirements.</p> <p>.3 Quorum and voting.</p> <p>.4 Record date.</p> <p>7.5 Liability of partners, distinguishing general and limited partners, and including liability of general partner to limited partners and provisions applicable in a limited liability partnership.</p>	

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<p>7.6 Indemnification of the partnership and the partners, distinguishing general and limited partners in various circumstances and, where appropriate, partners in a limited liability partnership.</p> <p>7.7 Whether a general partner may also be a limited partner.</p> <p>7.8 Pro forma budget (consider attachment as a schedule and inclusion of a statement of intent).</p> <p>7.9 Whether a partner is to be employed by the partnership and, if so, consider:</p> <ul style="list-style-type: none"> .1 Including employment provisions in the partnership agreement. .2 Having a separate employment or management contract tied to the partnership agreement so that a default by the partner under either the employment contract or the partnership agreement would constitute a default under both agreements. <p>7.10 Fiscal year.</p> <p>7.11 Bank and accounts.</p> <p>7.12 Signing officers.</p> <p>7.13 Auditor/accountant.</p> <p>7.14 Books of account, financial statements, accounting principles.</p> <p>7.15 Access of limited partners to the books and records.</p> <p>7.16 Reports and statements required to be made to partners, including those by the general partner(s) to the limited partners.</p>	
<p>8. FINANCING</p> <p>8.1 Define the interest of each partner in the partnership as a percentage, as units (possibly of different classes), or otherwise. Consider whether to provide that the interest is a security for the purposes of s. 12 of the <i>Securities Transfer Act</i>, S.B.C. 2007, c. 10.</p> <p>8.2 Initial capital contribution required and the basis on which it is determined.</p> <p>8.3 Mechanisms by which the partnership may raise additional funds for working capital or otherwise:</p> <ul style="list-style-type: none"> .1 Borrowing from an institutional lender: <ul style="list-style-type: none"> (a) Whether the partnership is required to try to obtain funds in this manner before turning to the partners (as described in item 8.3.2 in this checklist). (b) Whether the partners are required to enter into guarantees of indebtedness of the partnership (such guarantees are usually required by the lender to be joint and several, in which case include an appropriate provision for mutual indemnification). .2 Additional loans or capital contributions from the partners: <ul style="list-style-type: none"> (a) Circumstances in which the partnership may require this, how the decision is made, and whether there is a maximum amount that may be demanded. (b) Basis of contribution (e.g., on percentage of interest). (c) Notice requirements. (d) Partners' obligation (or option) to advance funds. 	

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<p>(e) Where the partners are obligated to advance funds, a provision for consequences of failure to do so (e.g., reduction of interest).</p> <p>8.4 Whether the capital contributions or loans of the partners bear “interest”, and if so, how it is calculated and paid (note that compensation on capital contributions is not really interest but a charge against surplus, and current tax advice is appropriate).</p> <p>8.5 Whether and in what circumstances capital contributions can be withdrawn or loans can be required to be repaid.</p> <p>8.6 Other contributions that may be or are required of partners (e.g., property, services).</p> <p>8.7 Obligations of partners to provide their own equipment, cars, office furniture, etc.</p> <p>8.8 Obligations of partners with respect to costs and expenses.</p> <p>8.9 Matters relevant to the determination of taxable income, such as the rate at which capital cost allowance (“CCA”) is claimed, whether deductible expenses are capitalized, etc.</p> <p>8.10 Allocation of profits and losses.</p> <p>8.11 Distributions:</p> <ul style="list-style-type: none"> .1 In what amounts distribution will occur (e.g., except as prohibited by the terms of debt financing, and to the extent permitted by law, after provision (by a specified mechanism) for necessary reserves). .2 Frequency of distribution. .3 Basis for distribution (e.g., based on each partner’s book equity, percentage of interest). 	
<p>9. PARTNERSHIP PROPERTY</p> <p>9.1 Lease, sale, or contribution of property by partners to the partnership.</p> <p>9.2 Statement of assets that are partnership property (consider attaching a schedule).</p> <p>9.3 Statement of types of assets that will become partnership property.</p> <p>9.4 Statement affirming types of assets that will not become partnership property (desirable when property is co-owned by partners who wish to claim CCA at different rates).</p> <p>9.5 Statement regarding the nature of the interest of each partner in the partnership and its assets (e.g., whether the interest consists of contractual rights).</p>	
<p>10. TRANSFER AND ENCUMBRANCE OF INTEREST IN PARTNERSHIP</p> <p>10.1 No partner shall dispose of or mortgage their interest except as set out in the agreement (ensure that the agreement specifies any differences between general and limited partners).</p> <p>10.2 Conditions that must be met before a partner may dispose of their interest, including consideration of:</p> <ul style="list-style-type: none"> .1 Written consent of all the other partners. 	

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<p>.2 Right of first refusal to be offered to the other partners. See, for example, item 10 of the SHAREHOLDERS' AGREEMENT DRAFTING (B-7) checklist, and adapt it to the circumstances.</p> <p>.3 Piggy-back rights pursuant to which the partner may dispose of their interest pursuant to a right of first refusal only if the purchaser also purchases the interests of all, or certain of, the other partners on their request and on the same terms as the selling partner. See, for example, item 12 of the SHAREHOLDERS' AGREEMENT DRAFTING (B-7) checklist, and adapt it to the circumstances.</p> <p>.4 Drag-along rights where a selling partner may require other partners to sell their interests on the same terms, if they do not exercise their rights of first refusal to buy. See, for example, item 12 of the SHAREHOLDERS' AGREEMENT DRAFTING (B-7) checklist, and adapt it to the circumstances.</p> <p>10.3 Circumstances in which a partner may force the purchase of that partner's interest or the sale of another partner's interest, including consideration of:</p> <p>.1 A compulsory buy-out (roulette or shotgun clause). See, for example, item 11 of the SHAREHOLDERS' AGREEMENT DRAFTING (B-7) checklist, and adapt it to fit the circumstances.</p> <p>.2 A drag-along clause providing that a partner may require the other partners to join in the sale of all of their interests to an outsider, or a piggy-back clause giving a partner the right to participate in a sale of the selling partner's interests to a third party. See items 10.2.3 and 10.4.</p> <p>.3 A clause providing that a partner may require the other partners to purchase that partner's interest upon the occurrence of specified events (e.g., default of obligations under partnership agreement, retirement from the work force or from active involvement in the partnership).</p> <p>10.4 Except where the default triggers a forced sale, a defaulting partner is not entitled to dispose of the defaulting partner's interest pursuant to the above provisions, unless prior to or concurrently with the transfer that partner ceases to be a defaulting partner.</p> <p>10.5 Consider including a provision for set-off where the seller is indebted to the partnership.</p> <p>10.6 Conditions upon which a transferee will be admitted as a partner.</p> <p>10.7 Where a partner has disposed of all of the partner's interest in compliance with the agreement, obligation of the partners to use all reasonable efforts to have any guarantee or pledge given by the partner discharged or cancelled, and to indemnify the departing partner for those liabilities after the partner's departure.</p> <p>10.8 Consider circumstances in which a potential purchaser under item 10.2.2 or item 10.3.1 of this checklist can decide not to close, or can renegotiate the purchase price (e.g., material adverse change before closing, breach of representations and warranties, failure to obtain requisite consents and approvals).</p>	

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<p>11. EFFECT ON THE PARTNERSHIP OF VARIOUS EVENTS</p> <p>11.1 Provision for various events, including their effect and the procedures to be followed:</p> <ul style="list-style-type: none"> .1 Withdrawal from the partnership. .2 Retirement from the partnership. .3 An active partner’s incapacity or inability to work. .4 Expulsion from the partnership (note that reasonable notice must be given before a partner is expelled). .5 Death (also consider a provision that the partnership or partners be required to maintain life insurance policies on each other, to be used in financing a compulsory purchase of a deceased partner’s interest). See also items 15 (insurance policies), 16 (sale on death), and 17 (wills/alter ego trust) of the SHAREHOLDERS’ AGREEMENT DRAFTING (B-7) checklist. <p>11.2 Default:</p> <ul style="list-style-type: none"> .1 Circumstances that constitute a default, such as: <ul style="list-style-type: none"> (a) Failure to carry out obligations under the agreement for a specified period of time after the other partners have made a written demand that the failure be cured. (b) Failure to defend assiduously a proceeding affecting possession or management of the partner’s interest for a specified period of time after the other partners have made a written demand that the failure be cured. (c) Bankruptcy, commission of an act of bankruptcy, the appointment of a receiver or receiver-manager with respect to the partner’s assets, or an assignment for the benefit of creditors or otherwise. (d) Change in control of a corporate partner. (e) Termination of employment, retirement or death of a partner, or of a representative of a partner which is a corporation or other legal person, who was employed by the partnership. (f) Incapacity (as defined in the agreement). .2 Consequences of default (indicate if consequences differ for different types of default; indicate alternatives), such as: <ul style="list-style-type: none"> (a) Dissolution. (b) Other partners may waive the specific default. (c) Other partners may pursue any remedy available in law or equity. (d) Other partners may take such actions as may reasonably be required to cure the default, in which case expenses shall be recoverable as provided in the agreement. (e) Implementation of a buy/sell procedure, whereby the defaulting partner is deemed to offer to sell all or a part of the partner’s interest to the other partners, possibly at a reasonably discounted value, but not at a value that would be a penalty. See item 10.3. (f) Withholding payment—for so long as the defaulting partner remains in default—of all monies payable to that partner by the partnership by way of draws or participation in profits. 	

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<p>12. DISSOLUTION</p> <p>12.1 The partnership will be dissolved in the circumstances specified (e.g., written consent of the parties, insolvency of the partnership).</p> <p>12.2 The partnership will not be dissolved in the circumstances specified (e.g., admission of a new partner, resignation of a partner).</p> <p>12.3 Procedures to be followed upon dissolution (e.g., notices to creditors).</p> <p>13. MISCELLANEOUS AND GENERAL PROVISIONS</p> <p>13.1 Interest rate on any funds required to be paid to other partners.</p> <p>13.2 Valuation methods (e.g., to value an interest in the partnership, the purchase price in various circumstances).</p> <p>13.3 Whether insurance is to be carried by the partnership or the partners (e.g., life insurance (see item 11.1.5 in this checklist), income protection, accident insurance).</p> <p>13.4 If a partner disposes of all of the partner’s interest, in compliance with the agreement, then the partner is bound by only the rights and obligations that arose pursuant to the agreement prior to that disposition.</p> <p>13.5 Execution of further assurances.</p> <p>13.6 Entire agreement.</p> <p>13.7 Amendments may be made as provided in the agreement (specify the type of amendment and the procedure that must be followed for each, particularly notice and consent requirements).</p> <p>13.8 Any provision having the effect of imposing on a limited partner the duties of a general partner shall be of no force and effect.</p> <p>13.9 Severability of invalid provisions.</p> <p>13.10 Time is of the essence.</p> <p>13.11 Failure to insist upon strict performance of any provision of the agreement shall not prevent a subsequent violation of the agreement from having the effect of an original violation.</p> <p>13.12 Notices:</p> <p>.1 Addresses for service.</p> <p>.2 Prepaid registered mail, facsimile, email, or other arrangement.</p> <p>.3 Deemed date of receipt, including effect of any postal strike.</p> <p>13.13 Dispute resolution, with initial reference to parties’ executives and discretion (or not) to elect mediation, arbitration, or recourse to the courts. Note that the first Protocol of Amendment to the NWPTA was signed on January 6, 2015, resulting in amendments that clarify labour mobility language and dispute resolution provisions). See also “<i>Arbitration Act</i>” and “Manitoba Joins NWPTA” under “New developments” in this checklist.</p> <p>13.14 Binding on heirs and executors, successors and permitted assigns.</p>	

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13.15 Validity of counterparts, execution by facsimile or other specified electronic means, and other adopting instruments.	