

Joint Venture Agreement



FBFS044 – 4/21

Acer Series: Maple Business Development

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About This Template

This educational resource is designed for maple syrup producers, maple sap producers, forest landowners and business partners to discuss and formalize a joint venture. This resource is not intended to replace the guidance of a legal professional. The situation for each person and party is different and professional legal assistance is recommended to ensure your business agreements are accurate, appropriate and complete.

This template includes sections and language that can be used directly in a joint venture agreement. This educational document is not a completed agreement. The template includes blank sections that require the addition of specific information for your agreement.

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JOINT VENTURE AGREEMENT

THIS AGREEMENT (the "Agreement") is made as of the ____ day of _____, 2021, by and between _____, LLC a Vermont Limited Liability Company (the First Party) and _____, LLC, a Vermont Limited Liability Company (the Second Party) and collectively, the Parties.

If the parties to the agreement are not an LLC, then list the names and addresses of the parties.

WHEREAS the First Party is engaged in the business of:

(Example: sap collection and transport; processing maple syrup and other maple products; packaging maple products; advertising/selling/delivery of maple products)

WHEREAS the Second Party is engaged in the business of:

(Example: sap collection and transport; processing maple syrup and other maple products; packaging maple products; advertising/selling/delivery of maple products)

WHEREAS the Parties wish to join together in a joint venture for the purpose of increasing production and sales of sap and maple products.

NOW THEREFORE BE IT RESOLVED, in consideration of the mutual covenants, promises, warranties and other good and valuable consideration set forth herein, the Parties agree as follows:

1. Formation. The joint venture formed pursuant to this Agreement (the "Joint Venture") shall do business under the name of _____. The Joint Venture shall be considered in all respects a joint venture between the Parties, and nothing in this Agreement shall be construed to create a partnership or any other fiduciary relationship between the Parties. Each Party at its own expense will purchase adequate liability and casualty insurance.

2. Contributions.

a. The Parties shall each contribute to the Joint Venture according to the following terms:

i. First Party's Contribution: _____ (name) shall contribute _____ (amount of materials, equipment, facility use, sugarbush tap count, sap, syrup), \$_____ in cash along with the labor and personal services necessary to collect and transport sap for processing, processing syrup and for selling maple products.

ii. Second Party's Contribution: _____ (name) shall contribute _____ (amount of materials, equipment, facility use, sugarbush tap count, sap, syrup), \$ _____ in cash along with the labor and personal services necessary to collect and transport sap for processing, processing syrup and for selling maple products.

b. Parties shall track their income and expenses related to the Joint Venture. Accounts shall be reconciled periodically and at the termination of the Joint Venture.

3. Distribution of Profits. Any and all net profits accruing to the Joint Venture shall be split evenly between the Parties and distributed within 30 days of the conclusion of the Joint Venture.

4. Management. The Joint Venture shall be jointly managed by the parties. Management shall be by mutual consultation and agreement.

5. No Exclusivity. Neither Party shall be obligated to offer any business opportunities or to conduct business exclusively with the other Party by virtue of this Agreement.

6. Term. This Agreement shall remain in full force and effect, for a period of one year from the date of this Agreement. At any time, this Agreement may also be terminated by mutual written consent of the Parties. If this Agreement either expires or is terminated, the Joint Venture shall be terminated as well, and all Parties' obligations under this Agreement with respect to the operation and administration of the Joint Venture shall no longer have force or effect.

7. Confidentiality. Any information pertaining to either Party's business to which the other Party is exposed as a result of the relationship contemplated by this Agreement shall be considered to be "Confidential Information." Neither Party may disclose any Confidential Information to any person or entity, except as required by law, without the express written consent of the affected Party.

8. Further Actions. The Parties hereby agree to execute any further documents and to take any necessary actions to complete the formation of the Joint Venture.

9. Assignment. Neither Party may assign or transfer their respective rights or obligations under this Agreement without prior written consent from the other Party.

10. Governing Law. This Agreement shall be construed in accordance with, and governed in all respects by, the laws of the State of Vermont, without regard to conflicts of law principles.

11. Counterparts. This Agreement may be executed in several counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one agreement.

12. Severability. If any part or parts of this Agreement shall be held unenforceable for any reason, the remainder of this Agreement shall continue in full force and effect. If any provision of this Agreement is deemed invalid or unenforceable by any court of competent jurisdiction, and if limiting such provision would make the provision valid, then such provision shall be deemed to be construed as so limited.

13. Headings. The headings for section herein are for convenience only and shall not affect the meaning of the provisions of this Agreement.

14. Entire Agreement. This Agreement constitutes the entire agreement between First Party and Second Party, and supersedes any prior understanding or representation of any kind preceding the date of this Agreement. There are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Agreement.

(Signature)

(Member Name)

(Business Name)

(Signature)

(Member Name)

(Business Name)

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