**The Small Business Show**

**Working Agreement Simple Template**

<https://www.businessshow.co/working-agreement-template/>

## OPPORTUNITY

The purpose of this document is to act as a framework for an agreement (the Agreement) between Party A (A) and Party B (B) for the intent of developing a revenue generating business focused on (but not limited to) Your Great Business.

A and B have identified a possible opportunity providing a service or selling a product described as: XX. These products are available online and in person from various sources. The goal is to purchase these items, inspect and create “lots” of multiple quantities and offer these lots for sale on various marketplaces.

### Responsibilities

<Use this section to list the role of each person in the project. List specific duties of each party>

#### **A will be responsible for the following:**

1. **<examples> Product Sourcing:** locating sources and suppliers for product to resale.
2. **Capital:** provide capital to purchase products for resale
3. **Marketplace:** use of existing XX marketplace accounts to resale products. Creating sale listings of specific items or lots.
4. **Payment Processing:** use of existing XX payment processing accounts to manage payments
5. **Customer Service**: Answer questions, make sales and general customer service
6. **Reports**: provide monthly sales and expense reports for the project.

#### **B will be responsible for the following:**

1. **Product Sourcing:** locating sources and suppliers for product to resale.
2. **Product handling and research:** physically sorting purchased products, researching product detail and grouping lots for resale. Photographing product lots and creating descriptions of each lot for marketing purposes.
3. **Order fulfillment:** packaging and shipment of orders to customers.

#### **General terms:**

<<Enter any additional general details here – anything that you can think of
that will help with communication between all parties involved>>

<<<examples below>>>

**Purchasing:** there shall be no product purchases for resale without both A and B agreeing on the purchase and the purchase price. Approval can be made in any format: phone, text, email, in person, etc.

**Profit Split:** upon execution of this Agreement, the profit split shall be 70% for A and 30% for B. When B begins funding purchases at 50% of the purchase price, the product split shall be 50% A and 50% B.

**Expenses**: all expenses shall be deducted before calculating profit. Expenses may include, but are not limited to: cost of goods, selling fees, payment processing fees, shipping supplies and various charges. These expense shall be reimbursed 100% to whichever party incurs them.

**Agency reporting:** each party to this Agreement is responsible to report their portion of profit to any state or federal agency that may be required by law. Since A is listed as the owner of the Payment Processing entity, any profit payments to B will be reported when B files the required tax forms at the end of the year.

**Entity:** when sales reach $5000 per month for this project, the parties agree to form a new LLC to handle the business. At that time, a new LLC Membership Operating Agreement will be written and put into place.

**Friendship**: both parties agree that if things don’t work out - it will not impact their friendship. As they say in legal terms: “shit happens” - There is no doubt that both parties will work in the best interest of each other and for the overall success of the project. At anytime, if one party wishes to stop the project, both parties agree to liquidate inventory to recoup costs and pay expenses. Open communication is the foundation for success with these types of projects. Both parties agree to be frank and open about what is working, and what might need adjustment for the project to succeed.

Signed, Partner 1 Signed, Partner 2