

# Partnership PLAYBOOK

*Your guide on how to join forces with other business owners, non-profits and sponsors—for impact, for influence, for profit, and to change the world.*

## Clean and Clear Legal Agreements

The legal and financial sides of partnerships are often skipped over or ignored because they seem to be too complicated, too serious, too scary or too formal.

In practice, lack of clear legal agreements can lead to extreme frustration, conflict and even legal battles.

In this lesson, we want to demystify the legal and financial agreement process so that you can:

1. Make intelligent choices about what you do and don't document
2. Fully understand the risks in partnerships
3. Fully understand the rewards and peace of mind generated by well-structured legal agreements

## Our Expert

Kyle Durand, post-doctorate tax attorney at [Art of Business](#) and [Ourdeal.com](#), will be sharing some specific checklists and contracts with you for this class so that you have solid reference materials.

We are referencing three specific documents in class, which are all available on the Partnership Playbook site:

1. **Partnership Checklist**
2. **Joint Venture Agreement**
3. **Content License Agreement**

## Splitting the Money

Andrea Lee, author of Multiple Streams of Coaching Income and founder of the [Wealthy Thought Leader](#) conference generously allowed us to share her formula for deciding how to share the money in a joint venture.

It is called the **30/30/30/10 Formula**.

There are generally four parts to setting up a joint venture:

**Content** - Development of the materials

**Delivery** - Teaching or presenting materials

**Marketing** - Getting the word out and selling

**Administration/Customer Service** - Administration and follow up

**To figure out how to share the money, divide these areas according to the following splits:**

Content - 30%

Delivery - 30%

Marketing - 30%

Customer Service - 10%

Then in an open discussion, decide which split of each category each partner gets.

**Example:**

**Content: Total of 30%**

Desiree develops more of the class content and resource materials than Pam, so we decide the split is:

Desiree: 20%

Pam: 10%

**Delivery: Total of 30%**

Both deliver the live program.

Desiree: 15%

Pam: 15%

**Marketing: Total of 30%**

Both get the word out to their audiences, and feel it is the partnership of both parties that makes the class compelling.

Desiree: 15%

Pam: 15%

**Administration: Total of 10%**

Pam handles all the backend admin and payment processing.

Desiree - 0%

Pam 10%

**Final Count:**

**Add up the percentage for each and we arrive at:**

Desiree: 50%

Pam: 50%

Remember, the percentage allocated to each person or section can change as the partnership progresses. The important thing is to fully document your agreements and assumptions so that each partner knows exactly what is expected to receive a fair share of the profits.

## Homework for Lesson Two

1. Based on the type of partnership you chose to work on from the homework in Lesson One, go through the Partnership Checklist and answer as many questions as possible
2. If you have an existing partnership, or one about to begin, decide on the documents you will use to set up the partnership in a clear way
3. Create the documents!

## Questions?

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