














# Steps to establish a Joint Venture

This handout is designed to give a brief overview of the steps involved in establishing a joint venture and the types of preparatory and supporting documentation that is typically required to set up and operate a business using a joint venture structure.

## Things you must do before entering into a joint venture agreement

-  Prepare a Heads of Agreement – This is a simple summary of what the parties have agreed, what the joint venture is for and how it will operate.
-  Ensure that due diligence enquires have been performed to your satisfaction – The checklist we provide can be used as a guide.
-  Prepare a business plan and budget in consultation with the other joint venture participant(s) and if necessary an accountant.
-  Obtain tax and accounting advice including as to structure of:
  - a. the joint venture itself; and
  - b. your interest in it (we will liaise with your advisors when drafting joint venture agreement).
-  Decide if you and the other joint venture participant(s) will appoint a project and/or financial manager or conduct the joint venture project yourselves.
-  Apply for any business licenses/authorities that may be required for joint venture.
-  Negotiate the purchase, lease, or transfer of premises and or equipment required for joint venture.
-  Negotiate business contracts or agreements required for joint venture activities
-  Provide all information and instructions to us as above.

## Work we will perform to establish your joint venture

-  Prepare joint venture agreement, using the heads of agreement as a guide and attaching the business plan and budget.
-  If required – Check the availability of the proposed business name and any logo for the joint venture.
-  If required – Register the business name and logo.
-  If required – Prepare or review the management agreement for any project manager or management company.
-  If required – Incorporate a company or establish a trust for joint venture.
-  If required – Prepare a shareholders or unitholders agreement for joint venture company or trust.
-  If required – Assist you with applications for business licenses or authorities for required for the joint venture business.
-  If required – Assist you with the purchase, lease, or transfer of premises and or equipment required for joint venture.
-  If required – Assist you with business contracts or agreements required for joint venture.
-  Liaise with you and the other joint venture participant(s) as above.

For more information or to discuss how we may be able to assist you, contact our legal team on (08) 9305 9529



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