

# Template for Capital Contribution Memorandum of Understanding

## 1. Parties

This Memorandum of Understanding (â€œMOUâ€) is made and entered into as of [Date], by and between:

**[Party A Name]**, with its principal place of business at [Address], and

**[Party B Name]**, with its principal place of business at [Address].

## 2. Purpose

The purpose of this MOU is to set forth the understanding and agreement regarding the capital contribution by the parties to [describe project, entity, or joint venture name, if any].

## 3. Capital Contribution

- 1. Amount:** Each party agrees to contribute the following amount of capital:

**[Party A]:** \$[Amount]

**[Party B]:** \$[Amount]

- 2. Method and Timing:** Contributions shall be made by [Bank Transfer/Cheque/Other Method] no later than [Date].

## 4. Use of Funds

The capital contributed will be used solely for the purposes of [briefly state intended use].

## 5. Terms and Conditions

- The parties agree that this MOU is [binding/non-binding], and will form the basis of a more detailed agreement to be negotiated in good faith.
- Each party represents that it has the authority to enter into this MOU.
- Any amendments to this MOU must be in writing and signed by both parties.

## 6. Signatures

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[Party A Name]

Date: \_\_\_\_\_

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[Party B Name]

Date: \_\_\_\_\_

### Important Notes About Capital Contribution MOUs:

- This document serves as a preliminary framework and is often not legally binding unless specified.

- Clearly define the purpose and intended use of funds to avoid future disputes.
- Always consult with legal and financial advisors before finalizing such agreements.
- Keep detailed records of all contributions and payments.
- Each party should verify the authority and capacity of the other signing party.