Deed of Family Arrangement

THIS DEED OF FAMILY ARRANGEMENT is made and entered into at _________ on this _________ day of _________ 200__ BETWEEN (1) ABC and (2) DEF, hereinafter referred to as “ABC GROUP” (which expression shall unless it be repugnant to the context or meaning thereof mean and include their respective heirs, executors and administrators) of the Party of FIRST PART; (3) GHI and (4) JKL, hereinafter referred to as “GHI GROUP” (which expression shall unless it be repugnant to the context or meaning thereof mean and include their respective heirs, executors and administrators) of the Party of SECOND PART; and (5) MNO and (6) PQR, hereinafter referred to as “MNO GROUP” (which expression shall, unless it be repugnant to the context or meaning thereof mean and include their respective heirs, executors and administrators) of the Party of the THIRD PART;

WHEREAS:

(a) The Parties hereto are members of one family of Late SHRI XYZ and hereinafter referred as “the said family”.
(b) The said family holds various movable and immovable properties as described in Annexture ‘A’ hereto standing in one or other names of the parties hereto. The Parties hereto are also carrying on business in the name of various concerns as described in Annexture ‘B’ hereto.
(c) The said MNO GROUP is desirous of getting separated from the joint properties and the businesses and have requested other groups for co-operation to which all the parties have mutually agreed.
(d) In view of the above, the Parties hereto have mutually decided to re-allocate their respective rights and interest in the properties on the terms and conditions appearing hereinafter.

IT IS AGREED, RECORDED AND CONFIRMED BY AND BETWEEN THE PARTIES HERETO AS UNDER:—

1. The aforesaid recitals shall form the integral part of this document.
2. The properties more particularly described at item Nos. 1, 7, 12 and 13 of Annexture ‘A’ hereto shall hereby exclusively and absolutely vest in along with all other rights and benefits attached thereto and shall belong to ABC GROUP. None of the members of other groups will have any right, title and interest of whatsoever nature in the said properties.
3. The properties more particularly described at item Nos. 2, 3, 4, 5, 6 and 8 of Annexture ‘A’ hereto shall exclusively and absolutely vest in and belong to ABC and GHI GROUPS jointly alongwith all other rights and benefits attached thereto. None of the members of MNO GROUP will have any right, title and interest of whatsoever nature therein.
4. The flat at Dadar described at item No. 9 of Annexture A hereto is in the possession of a lessee/tenant and is under dispute as also subject matter of litigation and can not be divided and/or disposed of immediately. The properties described at item Nos. 9, 10 and 11 of Annexture ‘A’ hereto shall be owned, used and possessed by the parties in the following properties:—

ABC GROUP 1/3
5. PQR shall retire and hereby retires from the partnership firm of M/S. LAXMI FURNITURE COMPANY with effect from ______________. He will be paid the amounts lying to his capital account in the said partnership in full and final settlement of all his claims in the said partnership and/or its assets. PQR shall neither have any claim on any of the assets/properties of the said firm nor he will be liable for any of the liabilities of the said firm. The remaining partners shall be fully entitled to alter the constitution of the said partnership in the manner they desire without any further reference to PQR or any member of his group.

6. MNO shall retire and hereby retires from the partnership firm of M/S. SARASWATI WORKS COMPANY with effect from ______________. He will be paid the amounts lying to his capital account in the said partnership in full and final settlement of all his claims in the said partnership and/or its assets. The said MNO shall neither have any claim on any of the assets/properties of the said firm nor will he be liable for any of the liabilities of the said firm. The remaining partners shall be fully entitled to alter the constitution of the said partnership in the manner they desire without any further reference to MNO or any members of his group.

7. The firm of M/s. VIDYA FURNITURE is the proprietary concern of MNO. The liabilities of the said firm shall be paid by ABC and GHI Groups. All the assets and properties of the said firm shall also vest in ABC and GHI Groups. For the said purpose, any members from ABC and GHI Groups will be admitted as partners of the said firm with effect from ______________ and MNO shall retire from the said firm with effect from ______________.

8. The Insurance Policies standing in the respective names of individuals shall belong to them respectively.

9. FURTHER AGREED, RECORDED, COVENANTED AND CONFIRMED between the parties as under:—
   (a) XYZ H.U.F. is being run and managed by ABC as its’ karta and Manager.
   (b) All the parties hereto have agreed to amicably put an end to the affairs and properties of the said H.U.F. by dissolving and/or partitioning the same.
   (c) There is an unequivocal intention of the constituents for the severance of the status and they have mutually agreed to do so of their own free will.
   (d) The notional partition of the said H.U.F. is effected from the date hereof. The assets of H.U.F. are mutually allocated as under:—

   (Give detailed description of allocation)

10. The parties hereto and each of them doth hereby acquit, release and discharge the other and others of any sums, liabilities and other things due and payable to each of them by the other or others and agree that they do not have any claim or demand equitable or otherwise in to, over and upon the properties, except in the manner and to the extent as mentioned hereinafore and shall not forever raise any condition or claims against them or any of them and shall not raise any dispute whatsoever in relation thereto and they also hereby record that they and each of them have agreed to recognise and accept the other and others as the absolute
owners of the share in the properties allotted to them hereinabove and/or having
the rights and interest as reallocated to them.

11. The parties hereto further record that they have agreed that the respective share
in the properties allotted to the respective parties as recorded hereinabove shall be
absolute property and/or rights of the respective parties and their respective heirs,
executors, administrators, assigns shall have absolute authority to enjoy, enter
into and upon the properties and/or rights allotted to them without any obstruction
or hindrance of other or others of them or the agents, servants, employees or any
other person claiming through or under them whether in trust or otherwise and
shall be entitled to have, hold use and enjoy the properties and/or right so allotted
for ever freely, clearly and absolutely.

12. The parties hereto further agree that the respective allottees shall be entitled
to dispose of or deal with the said interests in the properties allocated to him/her or
them in terms of this family arrangement without any consent of the other or
others.

13. The parties hereto hereby covenant with each other that they shall comply with
and accept the aforesaid family arrangement in toto.

14. The parties hereto further agree and covenant with each other that they shall
execute all further and necessary documents writings, deeds, agreements and all
other assurances to give true and proper effect to the aforesaid arrangement.

15. In the event of any disputes and differences between the parties hereto, the same
shall be referred to Arbitration under the provisions of Arbitration and Conciliation
Act, 1996 or the Arbitration laws prevailing at the material time.

IN WITNESS WHEREOF the parties have hereunto set and subscribed their respective
hands to this writing and on the triplicate thereof the day and year hereinabove written.

SIGNED AND DELIVERED by the
withinnamed (1) ABC (2) DEF,
ABC GROUP the party of
the FIRST PART in the presence of. .......

SIGNED AND DELIVERED by the
withinnamed (1) GHI (2) JKL,
GHI GROUP the party of the SECOND
PART in the presence of. ....

SIGNED AND DELIVERED by the
withinnamed (1) MNO (2) PQR,
MNO GROUP, the party of the
THIRD PART in the presence of .....