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Memorandum of Family Arrangement

Memorandum of Family Arrangement made at this ... day of between (1) Mr. Indian inhabitant residing at hereinafter referred to as the Party of the First Part (2) Mrs. Indian inhabitant residing at hereinafter referred to as the Party of the Second Part (3) Mr. Indian inhabitant residing at hereinafter referred to as the Party of the Third Part (4) Mr. Indian inhabitant residing at hereinafter referred to as the Party of the Fourth Part (5) Mrs. the wife of the party of the Fourth Part (6) Master Indian inhabitant residing at a minor by his father/natural guardian the Party of the Fourth Part (7) Master Indian inhabitant residing at a minor by his father/natural guardian the Party of the Fourth Part (8) Mr. Indian inhabitant residing at hereinafter referred to as the Party of the Eighth Part (9) Mrs. Indian inhabitant residing at ... hereinafter referred to as the Party of the Ninth Part (10) Miss. ... Indian inhabitant residing at hereinafter referred to as the Party of the Tenth Part (11) Smt. Indian Inhabitant residing at hereinafter referred to as the Party of the Eleventh Part and (12) Master Indian inhabitant residing at a minor by his adoptive mother and natural guardian the Party of the Eleventh Part and (13) Smt. Indian inhabitant residing at hereinafter referred to as the Party of the Thirteenth Part.

WHEREAS, -

(1) The late Mr. A and the late Mr. B who were full brothers constituted a Hindu Joint and Undivided Family consisting of themselves and their respective wives and children.

(2) The said two brothers were holding ancestral immoveable properties situated at several places in the country and were doing joint family business of various types on an extensive scale and held shares in certain limited companies floated by them under different names.

(3) The said two brothers and their respective branches separated in food worship and estate by a deed of partition dated which is duly registered under the Registration Act, 1908

(4) Under the said partition the said late Mr. A received in lieu of his share several immoveable properties, business and shares of some limited companies.

(5) The said Mr. A after such partition acquired additional properties, started new business and held shares of new companies started by him along with others.

(6) The said late Mr. A had one son being the Party of the First Part who was also taking part in the business of his father and held shares in some companies.

(7) The said late Mr. A died in leaving three sons the parties of the First, Fourth and Eighth Parts, his wife (widow) the party of the thirteenth

part and his sons' wives and children all of whom constituted a joint and undivided Hindu joint family.

(8) The said joint family continued to hold the ancestral immoveable property and business and shares in limited companies and also carried on the said businesses and started some new business in different names.

(9) One of the sons of the said A had died leaving his widow who adopted one minor son being Parties hereto of the Eleventh and Twelfth Party.

(10) On the death of the said late Mr. A leaving his widow and sons and his undivided share in the said joint family properties passed on to his widow and his sons including the widow of his predeceased son under and by virtue of the Hindu Succession Act, 1956. However, no actual partition or separation of that share was effected.

(11) Similarly, on the death of one son of the Party of First Part as aforesaid his undivided share in the HUF properties had passed on to his heirs being his widow and the mother being the parties of the eleventh part and thirteenth part hereto but no partition and separation of his share was effected.

(12) Joint family of the parties hereto consists of the widow of the said late 'A' being the Party hereto of the Thirteenth Part, the eldest son being the Party of the First Part, his wife the Party of the Second Part and his one major son Party of the Third Part, the second son being the Party of the Fourth Part, his wife Party of the Fifth Part, and two minor sons Parties of the Sixth Part and Seventh Part, the third son being the Party of the Eighth Part, his wife being Party of the Ninth Part and a minor daughter Party of the Tenth Part, the widow of the fourth pre-deceased son being the Party of the Eleventh Part and her adopted son the Party of the Twelfth Part.

(13) Since the death of the late Mr. A the father of the Party of the First Part, the joint family consisting of the parties hereto continued to hold the properties received by him on partition above referred to, acquired new or additional immoveable properties, started new businesses and acquired shares in different limited companies including companies started by the members of the family.

(14) However, since some time back, disputes and differences have arisen between the parties hereto of different types such as (i) immoveable properties acquired by different members in their names are being claimed by them as their separate properties (ii) similarly shares of different companies held in different names are being claimed as separate property (iii) there are also disputes regarding different businesses carried on by the family including disputes as to business policy etc. (iv) it is also contended by some that the party of the thirteenth part is not entitled to any share in the joint family properties except to the extent of her share in the undivided share of her deceased husband (v) the right of the adopted son being the party of the twelfth part to claim his share in the family properties is also disputed.

(15) However, at the same time it was realised by all the members of the family that if the disputes were taken to Courts; not only a substantial part of the estate will be lost in Costs but there would be enormous delay in the final decision and in the meanwhile the family business will suffer heavily.

(16) The parties hereto therefore approached their family friend Mr. an Advocate of senior standing, to mediate and after a long mediation, discussions and advice given by the mediator the parties have arrived at the following arrangement whereby they have amicably settled all disputes between them and decided to divide the several immoveable properties, business, shares of limited companies mentioned in the schedules hereunder written in full and final settlement of the respective shares, right, titles and interest, claim or demands both at law and in equity whether held by them individually or jointly in the name or names of one or more members of the family, in the manner herebelow recorded.

(17) To avoid future disputes and misunderstanding between the parties hereto the parties have decided at the advice of the said mediator to record by this memorandum the manner and the details of the family arrangement or settlement recorded by this memorandum and which was actually effected and agreed upon previously from time to time in the course of the mediation of the said mediator and it is agreed that the parties have been allotted or given the several properties as hereafter recorded and since then the each of the parties is in exclusive possession and/or enjoyment of the properties respectively allotted to each of them as hereafter stated including the administration, management and control of limited companies, private or public allotted to each of them or any of them as against and to the exclusion of the others.

(18) It is agreed and declared that the properties of various types described in the schedules one to fourteen hereunder are the only properties belonging to and constituting the joint family properties of the parties hereto and there are no other properties of any kind whatsoever and if any property is hereafter found to be standing in the name or names of any one or more of the parties hereto in the Government or any other official record the same shall be deemed to belong to him or her or them alone and absolutely and the others will not make any claim thereto.

Now this Memorandum of family arrangement witnesseth and it is hereby declared, confirmed, agreed and recorded by each of the parties hereto as follows:

(1) That the immoveable properties Firstly described in the First Schedule hereunder and the shares of some limited companies mentioned, secondly in the First Schedule have been allotted to the party of the first part to have and to hold the same unto and to the use and enjoyment of the party of the first part absolutely and forever as his own and personal property without and exclusive of any rights claim or demands of the other parties hereto in respect thereof.

(2) The immoveable properties described in the Second Schedule hereunder written have been allotted to the share of the party of the second part to have and to hold the same unto and to the use of the party of the second part for and during her life time without and exclusive of any right, claim and demands of the other parties hereto. Provided that on her death the same shall belong to the party of the first part and the party of the third part in equal shares absolutely. And provided further that the party of the second part shall have no right to alienate the same in any manner without the consent of the parties of the first and third part. The party of the second part will be entitled to recover, receive the income from

the said properties described in the Second Schedule and the same shall belong to her absolutely and without liability to account for the same.

(4) The immoveable properties described firstly in the Third Schedule hereto and the shares of some limited companies described secondly in the Third Schedule hereto have been allotted to the share of the party of the third part to have and to hold the same unto and to the use of the party of the third part absolutely and forever and exclusive of any right claim or demand of other parties hereto in respect thereof.

(5) The immovable properties described firstly in the Fourth Schedule hereto and the shares of some companies secondly described in the said Fourth Schedule hereto have been allotted to the share of the party of the fourth part to have and to hold same unto and to the use of the party of the fourth part absolutely and forever without and to the exclusion of any right, claim or demand of the other parties hereto.

(6) The immoveable properties described in the Fifth Schedule hereto have been allotted to the share of the party of the fifth part to have and to hold the same unto and to the use of the party of the fifth part for and during her lifetime only without and to the exclusion of any right, claim or demand of the other parties hereto. And provided that on her death the same shall belong to the parties of the fourth part and parties of the sixth and seventh the parties absolutely in equal shares and provided further that the party of the fifth part shall have no right to alienate the same without the consent of the party of the fourth part and the parties of the sixth and seventh part if by then they have attained majority. The party of the fifth part will be entitled to recover, receive and enjoy the income from the said property allotted to her during her life time absolutely without liability to account for the same.

(7) The immoveable properties described firstly in the Sixth Schedule hereto and the shares of the some companies described secondly in the said Sixth Schedule hereto have to be allotted to the share of the party of the sixth part to have and to hold the same unto and to the use of the party of the sixth part absolutely and forever without and to the exclusion of any right, claim or demand of the other parties hereto.

(8) The immoveable properties described firstly in the Seventh Schedule hereto and the shares of some companies described secondly in the said schedule have been allotted to the share of the party of the seventh part to have and hold the same unto and to the use of the party of the seventh part absolutely and forever without and to the exclusion of any right claimed or demand of the other parties hereto.

(9) The immoveable properties described firstly in the Eighth Schedule and the shares of some of the companies described secondly in the said Eighth Schedule have been allotted to the share of the party of the eighth part absolutely to have and to hold the same unto and to the use of the party of the eighth part absolutely forever without and to the exclusion of any right, claim, demand of the other parties hereto.

(10) The immoveable properties described in the Nineth Schedule hereto have been allotted to the shares of the party of the ninth part. To have and to hold to the same by her during and for her lifetime only, without and to the exclusion of any right claimed or demand of other parties hereto provided that on her death the said properties will belong to the party of the eighth part absolutely and provided further that the party of the ninth

part shall have no right to alienate the same without the consent of the party of the eighth part.

(11) The immoveable properties described firstly in the Eleventh Schedule hereto and share of some companies described secondly in the said schedule have been allotted to the share of the party of the tenth part to have and to hold same unto and to the use of party of the tenth part absolutely and forever and without and to the exclusion of any right, claim or demand of other parties hereto.

(12) The immoveable properties described in the Eleventh Schedule hereto has been allotted to the party of the eleventh part to have and to hold the same unto and to the use of the party of the eleventh part absolutely and forever without and to the exclusion any right, claim of demand of the other parties hereto.

(13) The immoveable properties firstly described in the Twelfth Schedule hereto and the shares of the some companies described secondly in the said schedule have been allotted to the shares of the party of the twelfth part to have and to hold the same unto and the use of the party of the twelfth part absolutely and forever without and to the exclusion of any right claim of demand of the other parties hereto.

(14) The immoveable properties described in the Twelfth Schedule hereto has been allotted to the share of the party of the twelfth part to have and to hold the same unto and to the use of the party of the twelfth part during and for her life time and till her death; provided that on her death the said properties shall belong to the party of the eleventh part absolutely; provided further that the party of the twelfth part will have no right to alienate the said property except with the consent of the party of the eleventh part.

(15) The immoveable property described in the Thirteenth Schedule hereto have been allotted to the share of the party of the thirteenth part to have and to hold the same unto and to the use of the party of the thirteenth part for and during her life time and until her death with a right to receive, recover and enjoy the income thereof without any liability to account for the same but she will have no right to alienate the said property and provided that on her death the properties will belong to the parties of the first, fourth and eighth part in equal shares and absolutely.

(16) And it is agreed and declared that the businesses of the family more particularly described in the Fourteenth Schedule hereunder written together with all their assets and goodwill have been allotted to the parties of the first, fourth, eighth, and eleventh parts to have and to hold the same unto and to the use of the said parties of the first, fourth, eighth and eleventh part absolutely and in their own rights and not as members of the said joint family; provided that they shall carry on the said businesses in partnership each having an equal share in assets as well as in the profits and losses of the business on the terms and conditions to be included in the deed of partnership to be separately executed in respect of each business provided that the party of the eleventh part being a minor will be admitted to the benefit of the partnership of the said business until he attains majority and thereafter he will be admitted as a full partner. Provided further that the party of the third part and the minor sons of the parties of the fourth part will be admitted as partners in the said partnership businesses after attaining majority if they so desire but they

will not be entitled to any additional share in the partnership but will be sharer in the shares of their respective fathers in such proportion as may be agreed upon by them and failing such agreement in equal shares.

(17) And it is agreed and declared that any liability accrued or to be accrued in respect of any property or business mentioned above will be attached to such property or business and will be borne and paid by the party or parties to whom such property or business is allotted as aforesaid and the others will not be liable to the same and such party or parties hereby agree to indemnify and keep indemnified the other parties against such liability and against all losses costs and expenses incurred by the other parties or any of them on account of such liability.

(18) And in consideration of the premises and the allotment of the properties and business to the respective parties hereto in full satisfaction of their respective rights, title and interest claim of demand whatsoever in the said properties and/or business more fully described in the schedules hereunder written and allotted by way of family arrangement or settlement as herebefore mentioned each of the parties hereto doth hereby confirm having released, relinquished and, given up and surrendered all their respective rights, privileges, titles and claim and demands in the properties and business allotted to the other parties hereto as aforesaid.

(19) That each of the parties hereto doth hereby covenant with the other party or parties hereto that he or she has not done, omitted or knowingly suffered or been party to or privy to any act, deed or thing whereby the properties and business allotted to the other party or parties hereto as aforesaid by way of this family arrangement have been in any way affected or encumbered or whereby they would be prevented from releasing his or her right, title or interest therein.

(20) That the parties hereto agree and covenant with each other that he/she and they will do and execute or cause to be done and executed all such acts, deeds and things and/or supply information and/or sign document and all or any application and other papers to transfer the property to the name of the party to whom it is allotted in the Government or Municipal or other official records and to transfer the shares of the companies to whom they are allotted to any of the parties hereto by these presents and to co-operate and do and execute all such deeds and other documents as may be required to be executed to this effect to this family arrangement or settlement.

(21) The Memorandum has been executed in one original and 12 duplicates. The original duly and fully stamped will remain with the party of the first part and each of the other parties will be supplied with one duplicate copy. The party of the first part covenants to produce the original to the inspection of any of the parties hereto if and when required or to produce the same before any Court or Arbitrator or any Government Officer if and when required by any party hereto.

(22) If any disputes and deferences of opinion arise out of this memorandum as to the meaning of any provision or interpretation thereof or in respect of any claim or demand the same shall be referred to Arbitration by the parties to the dispute as provided in the Arbitration and Conciliation Act, 1996.

In witness whereof the parties have put their hands and seals the day and year first hereinabove written.

The Schedules I to XIV above referred to.

Signed and delivered by

The abovenamed parties

(1) (2) (3)

(4) (5) (6)

(7) (8) (9)

(10) (11) (12) and

(13)

In the presence of