**Memorandum Recording Family Settlement**

A Family Settlement Agreement is the term used for an agreement reached by all of the heirs as to how an estate should be distributed.

It governs the terms and condition of settlement agreed upon the parties and binds the party to the settlement.

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**Draft of Memorandum Recording Family Settlement**

THIS MEMORANDUM RECORDING ORAL FAMILY SETTLEMENT is made at {{place\_of\_execution}} this {{date}}between Shri {{party\_1\_name}} an Indian inhabitant residing at {{party\_1\_address}} (hereinafter called "the Party of the First Part") of the FIRST PART, Shri {{party\_2\_name}}, an Indian inhabitant residing at {{party\_2\_address}} (hereinafter called "the Party of the Second Part") of the SECOND PART and Shri {{party\_3\_name}}, also an Indian inhabitant residing at {{party\_3\_address}} (hereinafter called "the Party of the Third Part") of the THIRD PART.

and reference to the parties hereto shall, unless repugnant to the context or meaning thereof mean and include their respective successors and assigns.

WHEREAS:-

1. The parties hereto are related to each other, the party of the first part being the {{relationship\_between\_party\_1\_and\_party\_2}} of the party of the Second Part etc;

2. Serious disputes and differences have arisen between the parties hereto, relating to {{dispute\_subject}}, and which have disrupted the peace and harmony of the family and affected the business and family relations and threatened to resort to litigation;

3. With the object of resolving the aforesaid disputes arising out of the conflicting claims made by the parties hereto as stated above and for effectuating a permanent solution of all the outstanding disputes once and for settlement was arrived at for ensuring family peace and harmony after considering what was best in the interest of the parties and in expectation that the settlement would result in achieving amity and goodwill among the Parties and it was agreed that the parties and it was agreed that the settlement arrived at would be final and binding upon all the parties hereto and avoid any further disputes and or differences amongst the parties hereto.

4. The parties hereto, have come to a settlement after the aforesaid discussion with the help of mutual friends to resolve the disputes and differences, and a memorandum of settlement with certain terms and conditions was drawn with a view to avoid any future disputes and or differences amongst the parties hereto and that this memorandum has been entered into to record the said terms and conditions of the Family Settlement already agreed upon by the parties hereto.

NOW THEREFORE THIS MEMORANDUM OF FAMILY SETTLEMENT WITNESSETH THE SAID TERMS AND CONDITIONS AS FOLLOWS:

1. In pursuance of the said agreement and in consideration of the premises, the parties hereto agree that the Party of the Third Part shall apply to the Court for grant of letters of administration with the will annexed of the estate of the late {{deceased\_person\_name}}, the deceased.

2. Without prejudice to their right to get their shares in the estate of the deceased as hereinafter fixed and agreed to by the parties hereto, the heirs shall give their letters of consent to the Party of the Third Part for obtaining the letters of administration as aforesaid.

3. In consideration of the premises, the Party of the Third Part shall immediately after the letters of administration have been obtained grant, deliver and transfer one-third of the said properties and assets (after setting apart a sum of Rs. {{liabilities\_amount}}/- for discharging the liabilities of the late {{deceased\_person\_name}} and also to meet the expenses for the grant of letters of administration in favour of the Party of the Third Part.) to each of the said heirs and retain the remaining one-third for himself.

4. An inventory of the assets of the deceased and of the respective agreed values thereof, is listed in Part I of the annexure B, hereto. A list of the debts due and owing by the estate of the deceased is listed in Part II of the said Annexure B hereto. An estimated sum of Rs {{expenses\_amount}} has been taken into consideration and set apart by the Parties in a separate Savings Bank Account no. with {{bank\_name}} Bank , towards the expenses of obtaining the Probate / Letters of Administration with the will annexed and the transfer / distribution of the estate of the deceased in accordance herewith and the said sum shall be utilized by the parties hereto, accordingly. In case of any deficit in meeting the debts of the deceased and/ or the expenses of proving the Will and distribution of the estate, the parties hereto, shall contribute equally to such deficit.

5. After setting apart sums to meet the debts of the deceased and the estimated expenses of distribution of the estate, The assets allotted to the said the Party of the First Part pursuant to the Family Settlement arrived at are more particularly described in the First Schedule hereunder written. Similarly, The assets allotted to the said the Party of the Second Part pursuant to the Family Settlement arrived at are more particularly described in the Second Schedule hereunder written. The assets allotted to the Party of the Third Part pursuant to the Family Settlement arrived at are more particularly described in the Third Schedule hereunder written.

6. All expenses of and incidental to the grant of letters of administration as also of transfer of the shares to the respective parties hereto shall come out of the estate of the deceased.

7. It is expressly agreed by and between the parties hereto that the heirs shall not claim any rights under the said codicil and the Party of the Third Part shall not, after obtaining the letters of administration with the will annexed, claim any rights under the said will, save as hereinbefore provided.

8. The parties hereto confirm and declare that all the disputes and differences between them are settled and that none of the parties has any further or other claim or demand of any nature whatsoever against the other or others of them.

9. The parties hereto expressly agree and declare that they have arrived at this Family Arrangement in order to put an end to existing and future disputes between the parties and with a view to bring about amity and goodwill amongst them and with a view to maintaining peace and bring about harmony in the family. The parties hereto further agree and declare that the terms of the Memorandum of Family Settlement arrived at between them and recorded herein are fair and bona fide and in the interest of all the parties.

10. The parties hereto shall sign and execute or cause to be signed and executed all such documents, deeds, writing and/or instructions as may be necessary to give effect to the Family Arrangement arrived at amongst the parties hereto. On {{execution\_date}} and which is recorded in this Memorandum of Family Arrangement-cum-Compromise.

Annexure 'A'

(Copy to the Will)

Annexure 'B'

Part I: List of assets of the deceased and estimated agreed values

There of

The first schedule hereinabove referred to

(The assets allotted to the said the Party of the First Part)

Part IV: List of Debts of the Deceased.

The Second schedule hereinabove referred to

(The assts allotted to the said the Party of the Second Part)

The third schedule hereinabove referred to

(The assets allotted to the said the Party of the Third Part)

IN WITNESSES WHEREOF the parties hereto have hereunto set and subscribed their respective hands the day and year first hereinabove written.

SIGNED AND DELIVERED by

the Party of the First Part

Shri {{party\_1\_name}}

in the presence of {{witness\_1\_name}}

SIGNED AND DELIVERED by

the Party of the Second Part

Shri {{party\_2\_name}}

in the presence of {{witness\_2\_name}}

SIGNED AND DELIVERED by

the Party of the Third Part

Shri {{party\_1\_name}}

in the presence of {{witness\_2\_name}}