**DEED OF SETTLEMENT**

(FOR THE BENEFIT OF MINOR CHILDREN)

This **Deed** of Settlement (this “Agreement”) is entered into as of \_\_\_\_\_\_\_\_\_\_\_\_\_ (the ‘’Effective Date’’) at \_\_\_\_\_\_\_\_\_\_\_\_[[Place]].

**BETWEEN:**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_[[Name]], Son/Daughter of \_\_\_\_\_\_\_\_\_\_\_\_\_\_ [[Father’s Name]], Resident of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_[[Address]].

**AND:**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ [[Name]] Son/Daughter of\_\_\_\_\_\_\_\_\_\_\_\_\_\_ [[Father’s Name]] Resident of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ [[Address]].

**PREAMBLE**

WHEREAS, the Settlor has three minor children L, M and N who were born on the \_\_\_\_\_\_\_\_ (date of birth), on the \_\_\_\_\_\_\_\_ (date of birth) and on the \_\_\_\_\_\_\_\_\_ (date of birth) respectively. The Settlor hereby transfers and assigns all the movable and immovable properties mentioned and detailed in the Schedules I and II respectively and attached hereto the Trustees upon Trust and subject to the power and provisions hereinafter expressed and declared. The Settlor also declares that he possesses the full power to so transfer and assign the properties under every existing law of the land.

WHEREAS it is hereby declared that the aggregate market value of the aforesaid properties is Rs \_\_\_\_\_\_\_\_\_ [[amount]];

WHEREAS, The Trustees shall hold the said properties mentioned in both the Schedules hereto or any property representing the sale in Trust for such of the Settlor’s Minor children until such time that each male child attains the age of 18 years or being females, each female child attains the age of 18 years or marries, whichever occurs later, in equal shares.

Except where the Trustees consider it to be absolutely and unavoidably necessary, the Trustees shall not effect any transfer of immovable property mentioned in the Schedule and even in such absolute and unavoidable circumstances, such transfer shall be effected by them only with the prior express permission of the setter or where the settler is dead, at such point of intended transfer with the prior express permission of the settlor’s wife for the time being and where at the time of the intended transfer neither the settler nor his wife is alive intended transfer shall be made only with the permission of the Court.

WHEREAS, The income accrued and yielded by the properties mentioned in the Schedules hereto shall be applied by the Trustees towards the healthy and disciplined upbringing as well as proper education of the Settlor’s children during their minority. The surplus of the income from the properties after meeting the expenses for the said purposes shall be invested by the Trustees in any scheduled commercial bank at best interest rates possible.

WHEREAS, The immovable properties mentioned in the Schedule hereto may be sold by Trustees only in exceptionally compelling circumstances and not merely because of an offer of a good price for them from any person. Such compelling circumstances may mean, for example, inadequacy of the revenue income accrued and yielded by the properties being to meet all of the expenses for healthy and disciplined upbringing and sound education of minor children. The Trustees may also withdraw moneys an securities that totally remained deposited for the purpose of depositing them or any part of them in other kind of investment which the Trustees may feel to yield superior income.

WHEREAS, would it so happen that any of my female minor children is married before attainment of the age of 18, the Trustees may meet the expenses of such marriage out of income derived from properties mentioned in Schedule I hereto and if necessary out of the money or securities mentioned in Schedule II hereto. In any case, the Settlor desire that the marriage of such female minor children shall not be performed ostentatiously and in keeping with such desire the Trustees shall not apply the income from the properties in excess of Rs\_\_\_\_\_\_\_\_\_\_ towards the expenses of marriage. If any sum of money so applied out of the properties, moneys or securities mentioned in the Schedules hereto exceed the limits that the Settlor has specified hereinabove such excess shall be set off against the property of the female minor child.

WHEREAS, The power of appointing successor Trustees in case of any vacancy arising among the Trustees for any reason, shall be vested in the Settlor during his life time or in his wife for the time being after the death of Settlor if she survives him and thereafter in the Court of Competent jurisdiction.

NOW THEREFORE in consideration of the mutual promises and covenants contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. DUTIES AND OBLIGATIONS OF THE TRUSTEE
   1. To dispose of the property in favour of minor as mentioned in the agreement
   2. The trustee must avoid transfer of property even in exceptional or unavoidable circumstances except as provided in this agreement;
   3. If required, trustee has to bear the expense of the minors before they attain the age of 18 from the property or the income arising out of the property:
2. CONFIDENTIALITY.

The Trustee or settler shall not, in any fashion, form, or manner, either directly or indirectly:

* 1. Disclose or communicate to any other person any information relating to the agreement (the “Confidential Information”);
  2. Duplicate any Confidential information;
  3. Use any Confidential Information other than solely for the benefit of the minor; or
  4. Assist a third person in using any Confidential Information in any manner but solely for the benefit of the Minor.

1. TERM
   1. This Agreement will come into force as of the \_\_\_\_\_\_\_\_\_\_\_[[Effective Date]].
2. DISPUTES AND RESOLUTIONS - ARBITRATION:
   1. In the event of any dispute, difference or controversy arising in the performance, interpretation, implementation or application of this agreement, the parties will first attempt to resolve their differences mutually but failing mutual settlement dispute, difference or controversy arising, either Party may request that such disputes be settled by arbitration in accordance with the Arbitration and Conciliation Act, 1996 (“ the Act of 1996”) and the rules made there under, as amended from time to time.
   2. The Seat of Arbitration will be in Jaipur and all Arbitration proceedings will be conducted in Jaipur.
3. GENERAL PROVISIONS
   1. Entire Agreement & Amendments

This Agreement hereto constitutes the entire agreement and understanding between the parties relating to the subject matter hereof, and supersedes all other agreements, oral or written, made between the parties with respect to such subject matter. Except as provided herein, this Agreement may not be amended or modified in any way except by a written instrument signed by both Parties.

* 1. Assignment

Neither of them shall assign this Agreement or any of its rights or obligations..

* 1. Incorporated by Reference

The Preamble and all Attachments, Schedules and Exhibits attached hereto are hereby incorporated by reference and made a part of this Agreement.

* 1. Applicable law

This Agreement shall be governed by and interpreted in accordance with the laws of the India, without reference to its conflict of law provisions, and the laws of India applicable therein. All disputes arising under this Agreement will be referred to the courts situated in India which will have jurisdiction, and each Party hereto irrevocably submits to the jurisdiction of such courts.

* 1. Currency

All references to monetary amounts in this Agreement shall be to Indian currency.

* 1. Absence of presumption

No presumption shall operate in favor of or against any Party hereto as a result of any responsibility that any Party may have had for drafting this Agreement.

* 1. Language clause

It is hereby agreed that both parties specifically require that this Agreement and any notices, consents, authorizations, communications and approvals be drawn up in the English language.

* 1. Interpretation

The headings and section numbers appearing in this Agreement or any Schedule attached hereto are inserted for convenience of reference only and shall not in any way affect the construction or interpretation of this Agreement.

IN WITNESS WHEREOF, each party to this agreement has caused it to be executed at \_\_\_\_\_\_\_\_\_\_\_\_\_[[Place of Execution]] on the date indicated above.

[[First Party ]] [[Second Party ]]

[[Signature]] [[Signature]]

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[[Name]] [[Name]]

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[[Title]] [[Title]]

WITNESSES

1. [[Name of the Witness:]] \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[[Address of the Witness]] \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[Signature]

1. [[Name of the Witness:]] \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[[Address of the Witness]] \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[Signature]