**Agreement for Dissolution of Partnership Firm**

This Partnership Firm’s Dissolution Agreement is entered into, and effective from \_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_. Agreement is executed with the consent of all the partners, following the provisions of *Section 40* of Indian Partnership Act, 1932. Between the parties:

Partner 1 \_\_\_\_\_\_\_\_\_\_\_

Address\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Partner 2 \_\_\_\_\_\_\_\_\_\_\_

Address\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Partner 3, If any \_\_\_\_\_\_

Address \_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Background of firm**

* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is a partnership firm, operating under the provisions of the Partnership Agreement entered into and effective from \_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_ as attached herewith as Exhibit A.
* With the business address at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, and
* Operating in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Nature of business).

**THIS AGREEMENT WITNESSES THAT** in consideration of the mutual obligations and settlements herein contained and subject to the terms and conditions hereafter set out, the parties hereto agree as follows:

**Dissolution**

1. The Partners agree to dissolve the Partnership effective from \_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_.
2. Effective from Dissolution Date, all of the assets of the Partnership will be distributed to the Partners pro rata in accordance with their respective shares in the Partnership, and all of the liabilities of the Partnership, will be assumed by the Partners pro rata in the same proportion.

**Release and Indemnification**

1. Each Partner hereby indemnifies and saves harmless the other Partner(s) from and against any claims, demands, actions, losses and damages suffered by such Partners resulting from the failure of the Partner to pay and discharge any portion of any Partnership liability which such Partner has assumed by virtue of this Agreement.
2. The Partners hereby release and forever discharge one another from any and all claims, demands, actions, losses and damages whatsoever arising from or relating to the Partnership, with the exception of any claims, demands, actions, losses and damages arising from or resulting from the terms and conditions of this Agreement.
3. Save and except as expressly otherwise provided in the attached Agreement, the Vendor and the Purchaser hereby release and forever discharge one another, effective the Dissolution Date, from any and all debts, liabilities, obligations and claims in any way relating to the Partnership, including but not limited to the partnership agreement entered into between the Vendor and the Purchaser, if any.

**Further Assurance.**

1. Each of the parties covenants and agrees that he or she, and his or her heirs, executors, administrators, successors and assigns will sign such further agreements, assurances, waivers and documents, and otherwise do and perform or cause to be done and performed such further and other acts and things that may be necessary or desirable from time to time in order to give full effect to this Agreement and every part thereof.

**Successors and Assigns.**

1. This agreement shall be binding on, and inure to the benefit of, the partners and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns.

**Other Provisions.**

1. This Agreement supersedes any prior understanding or written or oral agreements between the Partners respecting subject matter if this Agreement, including the Partnership Agreement, to the extent that understanding or agreement conflicts with any provisions contained in this Agreement.
2. The representations and warranties set forth in this Agreement shall be continuous and shall survive the taking of any accounting and the dissolution and winding up of the partnership as contemplated by this agreement.

**IN WITNESS WHEREOF,** this agreement has been executed and delivered within the prescribed manner as given under the law as of the effective date mentioned above:

SIGNED AND DELIVERED by,

Partner 1 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

In the presence of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

SIGNED AND DELIVERED by,

Partner 2 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

In the presence of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

SIGNED AND DELIVERED by the within named,

Partner 3, if any \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

In the presence of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_