

ARBITRATION AGREEMENT BETWEEN THREE PARTNERS

THIS AGREEMENT made at ... this ... day of... between Mr. A of the One Part Mr. B of the Second Part and Mr. C of the Third Part.

WHEREAS the parties hereto have been carrying on business in partnership under a Deed of Partnership dated ... entered into by the parties hereto and in the name of M/s X Y Z & Co.

AND WHEREAS disputes and differences have arisen between the parties regarding the management of the business of the partnership accounts and the legality of certain transactions entered into.

AND WHEREAS one of the partners has given notice of dissolution of the partnership, the validity of which is disputed by the others.

AND WHEREAS each of the parties in terms of the arbitration clause contained in the said Deed of Partnership has appointed an arbitrator being Mr. D. Mr. E and Mr. F.

AND WHEREAS the parties have agreed to enter into a separate submission paper or Arbitration agreement in the manner following:

NOW IT IS AGREED BETWEEN THE PARTIES HERETO AS FOLLOWS:

- 1) The parties hereto agree to refer to the said three Arbitrators M/s. D, E and F all their disputes and differences 'inter se' touching the business of the said partnership, its properties and accounts and arising out of or in

connection with the said Deed of Partnership and without prejudice to the generality of this clause, to decide the following questions:-

- (a) To decide whether the notice of dissolution given by one partner Mr. A is valid if so, the date of dissolution and If not to decide whether the other parties are entitled to continue the said business without the said Mr. A and to decide the date of his retirement.
 - (b) In the event of the arbitrator holding that the partnership is dissolved, to divide and partition the moveable and immovable assets of the Firm among the parties according to their respective rights under the Deed of Partnership with power to the Arbitrator to sell any part of the said assets for equitable distribution among the parties.
 - (c) To take accounts of the partnership for the last three years that is from ... to ... and to ascertain the amount payable by one to the other or others If any.
 - (d) To make provisions for payment of debts and liabilities of the Firm including Income-tax liabilities.
- 2) The Arbitrators shall direct the parties to file statements of their respective claims, legal submissions and reliefs claimed and each party to file his statement of defence in reply to the statements of claims of others.
 - 3) The Arbitrators shall allow the parties to produce documents in support of their claims.

- 4) The Arbitrators shall direct the books of account and other papers of the Firm to be produced before them and arrange for their safe custody. The Arbitrators will have power to appoint a qualified accountant to inspect the accounts and to draw a balance sheet,.
- 5) The Arbitrators shall allow the parties to be represented by their respective advocates.
- 6) The Arbitrators shall not be bound to take oral evidence but if any party or their witness is examined he will be allowed to be cross-examined.
- 7) If there is difference of opinion between the Arbitrators during the Arbitration proceedings or in making the award the decision of the majority will prevail and binding on the parties.
- 8) The Arbitrators shall be entitled to make one or more Interim Awards.
- 9) The Arbitrators shall make their award within four months from their entering upon the reference but can extend the said period from time to time with the consent of all the parties hereto obtained in writing.
- 10) In the event of any party refusing to participate in the Arbitration proceedings or remaining absent without valid cause, the Arbitrator shall have power to proceed ex-parte against such party.
- 11) The costs of the Arbitration proceedings will be in the discretion of the Arbitrators.
- 12) The Arbitration, subject to what is herein provided shall be governed by the Arbitration & Conciliation Act, 1996.

IN WITNESS WHEREOF the parties hereto have put their hands the day and year first hereinabove written.

Signed and delivered by the
withinnamed Mr. A in the
presence of

Signed and delivered by the
withinnamed Mr. B in the
presence of

Signed and delivered by the
withinnamed Mr. C in the
presence of