

**DATED**

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**Deed of Dissolution of Partnership**

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Between

**(1) <<Name of Partner>>**

**(2) <<Name of Partner>>**

**(3) <<Name of Partner>>**

**(4) <<Name of Partner>>**

**(5) <<Name of Partner>>**



This **Deed of Dissolution** is dated and made on the                      day of

**BETWEEN:**

**Parties:**

- (1)     **“Partner I”**     <<Name>> of <<Address>>;
- (2)     **“Partner II”**     <<Name>> of <<Address>>;
- (3)     **“Partner III”**     <<Name>> of <<Address>>;
- (4)     **“Partner IV”**     <<Name>> of <<Address>>; and
- (5)     **“Partner V”**     <<Name>> of <<Address>>,

each a **Partner** and together the **Partners**.

**NOW IT IS HEREBY AGREED** as follows:

**BACKGROUND**

- A.     The Partners have been carrying on a business in partnership together to <<Insert Description of Business>> under the Name (the **“Partnership”**), in accordance with the terms of a partnership agreement dated <<Insert Date>> (the **“Partnership Agreement”**), such agreement is attached as a Schedule to this Deed.
- B.     By mutual consent the Partners now wish to dissolve and wind up the Partnership on the terms of this Deed<sup>1</sup>.
- C.     Words and expressions defined in the Partnership Agreement<sup>2</sup> shall, unless defined in this Deed, have the same meanings in this Deed.

**1. Definitions**

In this deed the following terms shall have the following meanings:

<b>“Auditors”</b>	means <<Name>> of <<Address>> who have been appointed as the auditors of the Partnership under the terms of the Partnership Agreement;
<b>“Books and Records”</b>	means all letters and documents (including electronic copies), records and books of account which relate to the Partnership and may include Confidential Information;
<b>“Effective Date”</b>	means the date of the dissolution of the Partnership, being <<Insert Effective Date of Dissolution>>;

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<sup>1</sup> Note that the Simply Docs Partnership Agreement, CO.CD.04.02 states that the partnership may be dissolved at the end of any year by a majority of the partners. It will be necessary to check what the terms of dissolution are in any relevant partnership agreement.

<sup>2</sup> This refers to the Simply-Docs Partnership Agreement, CO.CD.04.02



**“Final Accounts”**

**“Management Committee”**

**“Name”**

**“Partnership Bank Account”**

**“Partnership Property”**

**“Premises”**

**“Winding Up Date”**

The headings in this Deed are for interpretation.

## **2. Dissolution**

The Partnership shall be deemed dissolved on the Effective Date at which point it shall be wound up in accordance with the terms of this Deed.

## **3. Continuation and Conduct of Partnership**

3.1 The Partnership shall only be continued in so far as is necessary for the purposes of Clause 4.

3.2 Between the Effective Date and the Winding Up Date, each Partner's authority to bind the Partnership shall be limited to complete transactions that have not yet completed.

<sup>3</sup> This is the relevant clause of the Simply Docs Partnership Deed.

<sup>4</sup> The assumption made in this deed is that the partner has a freehold, specialist advice should be sought.

<sup>5</sup> Some assets may be sold to certain of the Partners after the Partnership has been formally dissolved. This deed does not contemplate this and a purchase agreement if necessary.

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of the Partnership as at the Effective Date, including a profit and loss account and a balance sheet;

of the Partnership [so as to be able to <<Insert Name>><sup>3</sup> of the Partnership of <<Insert Names>>] and have delegated certain of its powers to the dissolution and winding up of the Partnership;

of the Partnership>>;

bank account of the Partnership, the following details: <<Insert Name>> Sort Code and Account Number;

rights in them) which are required for the purposes of its business, not limited to computers, equipment, stationery and any other items in or about the Premises, Confidential Information and The Books and Records of the Partnership;

offices located at <<Insert Name>> occupied by the Partnership;

on the Partnership is wound up, this Deed.

and shall not affect its liability to third parties.

the close of business on the Effective Date, the Partnership shall be wound up in accordance with the terms of this Deed.

Effective Date in so far as is necessary for the Partnership's assets as set out in Clause 4.

the Effective Date, each Partner's authority to bind the Partnership shall be limited to so far as is necessary to complete transactions that have not yet completed before the Effective Date but shall not affect its liability to third parties.

property. If in fact the premises are not the Partnership's property, the Partner shall be liable to indemnify the Partnership.

business after the Partnership has been formally dissolved, the Partners may enter into a separate sale agreement if necessary.



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3.3 After the Effective Date, no Partner shall make any drawings on account of any Partnership Property from the Partnership without the prior written consent of the other Partners.

to any monies or further drawings on account of any Partnership Property or any other assets of the Partnership without the prior written consent of all the other Partners.

3.4 After the Winding Up Date, no Partner shall use a name which is similar to the Name of the Partnership for business or professional purposes.

no Partner shall have the right to use the Name (or any variation thereof) for business or professional purposes.

3.5 After the Winding Up Date, no Partner shall hold himself out as being part of the Partnership or implying that he is still a Partner.

no Partner shall hold himself out as being part of the Partnership or implying that he is still a Partner, if the Partnership has not been wound up.

3.6 On the Effective Date, each Partner shall deliver to the Management Committee all Books and Documents in his/her possession or under his/her control.

On the Effective Date, each Partner shall return to the Management Committee all Partnership Property in his/her possession or under his/her control.

## 4. Realisation of Assets and Partnership Property

4.1 As soon as reasonably practicable after the Effective Date, the Management Committee shall prepare a list of the Partnership Property.

As soon as reasonably practicable after the Effective Date, the Management Committee shall prepare a list of the Partnership Property.

4.2 The Management Committee shall endeavour to sell the Partnership Property at the best prices and otherwise on the most favourable terms that may be reasonably obtained. The proceeds of the sale shall be deposited in the Partnership Bank Account.

The Management Committee shall use its best endeavours to sell the Partnership Property at the most favourable prices and otherwise on the most favourable terms that may be reasonably obtained. The proceeds of the sale shall be deposited in the Partnership Bank Account.

4.3 The Management Committee shall, as soon as possible after the Effective Date, serve notice on the Partners to assign, novate or terminate (as appropriate) all commitments relating to the Partnership and shall take all reasonable steps to minimise the loss to the Partnership.

As soon as possible after the Effective Date, the Management Committee shall serve notice to assign, novate or terminate (as appropriate) all commitments, licences and other agreements relating to the Partnership and shall take all reasonable steps to minimise the loss to the Partnership.

4.4 [The Management Committee shall pay its reasonable expenses in connection with the dissolution of the Partnership. Such expenses shall be paid from the Partnership Bank Account on the production of valid receipts.]

The Management Committee shall pay its reasonable expenses in connection with the dissolution of the Partnership. Such expenses shall be paid from the Partnership Bank Account on the production of valid receipts.]

## 5. Liabilities and Shortfall

5.1 The Management Committee shall discharge any debts and liabilities of the Partnership.

The Management Committee shall discharge any debts and liabilities of the Partnership, pay and discharge any debts and liabilities of the Partnership Bank Account.

5.2 If the money in the Partnership Bank Account is not sufficient to discharge in full the Partnership's proper debts and liabilities, the Partner shall contribute to the shortfall in the same proportions as they are entitled to share in its profits and losses] [their ownership of the Partnership] [list relevant proportions]>>

If the money in the Partnership Bank Account is not sufficient to discharge in full the Partnership's proper debts and liabilities, the Partner shall contribute to the shortfall in the same proportions as they are entitled to share in its profits and losses: the following proportions:

## 6. Employees

Each Partner acknowledges and agrees that the Partnership does not have [(and never has had)] any employees or potential liabilities to any individual.

Each Partner acknowledges and agrees that the Partnership does not have [(and never has had)] any employees or potential outstanding liabilities or

## 7. Final Accounts

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- 7.1 The Management Committee shall cause the Final Accounts as soon as reasonably practicable to be prepared by the Auditors.
- 7.2 The Final Accounts when prepared shall be signed by the Partners as to all matters and shall be audited by the Auditors. If any error is discovered within three months of the date of the Auditors' report, the Auditors shall be notified and shall be responsible for the error.
- 7.3 As soon as reasonably practicable after the preparation of the Final Accounts, the Management Committee shall cause the Partnership Bank Account to be closed and the funds to be distributed in the following order of priority:
- in paying the debts of the Partnership and as set out in the Final Accounts;
  - paying to each of the Partners the amounts due to them and loans made to them and showing as a credit to the Partnership;
  - paying to each of the Partners the amounts due to them from the Partnership net of the amounts due to the Partnership and showing as a credit to the Partnership;
  - repaying to each of the Partners the amounts due to the Partnership [as set out in the Final Accounts];
  - repaying to each of the Partners the amounts due to them from the Partnership [as set out in the Final Accounts];
  - dividing the balance of the Partnership funds among the Partners in the proportions in which the Partners are entitled to share in the Partnership profits and losses as shown in <<Schedule 1>>.
- 7.4 If there are insufficient funds in the relevant category to meet the claims of the Partners, the funds shall be distributed among the Partners in the proportions in which the Partners are entitled to share in the Partnership profits and losses as shown in <<Schedule 1>>.
- OR [paid to the Partners <<as set out in the Final Accounts>>].**

## 8. Advertisement

Notice of the dissolution of Partnership shall be given in the London Gazette and so far as is reasonably practicable in such other manner as to all persons with whom the Partnership has had dealings, <<Number>> years before the Effective Date, to include its customers and other relevant third parties>>.

## 9. Books and Records

On the Effective Date, the Management Committee shall be responsible for the safekeeping of all the Books and Records of the Partnership and shall be deposited with <<the Auditors>> for retention for a period of <<Number>> years and shall be open to inspection by each of the Partners on reasonable notice to the Auditors.

## 10. [Professional Indemnity Insurance]

- 10.1 For a period of <<Number>> years after the Effective Date, the Partners shall pay all premiums for and maintain a reputable insurance company of <<Amount>> as is required to cover up to <<Amount>>.
- 10.2 Such insurance shall be maintained for the purpose of covering the Partners for or other wrongful acts or omissions.

<sup>6</sup> It may be sensible to have relevant cover for the dissolution of the Partnership.



omissions that may have occurred of the Partnership.

10.3 The Partners shall contribute to the Partnership in the same proportion [as] <<[each shared in its Partnership]>> <<[in the Partnership]>> <<[their ownership of the Partnership]>> <<[the most relevant proportions]>> <<equally>>].

**11. Notices**

11.1 All notices to be given under this Deed shall be in writing and shall either be delivered personally or sent by email and shall be deemed duly served:

11.1.1 in the case of a notice to be given to a Partner, at the time of delivery;

11.1.2 in the case of a notice to be given to the Partnership, by first class prepaid post, 2 clear days after the date of posting;

11.1.3 in the case of an email, at normal business hours then at the time of transmission, otherwise at normal business hours then on the next following business day. It shall be deemed (in each case) that a copy of the notice has been duly served (in each case) that a copy of the notice has been duly served by first class prepaid post or by hand by the end of the next Business Day.

11.2 Each party's address for the purposes of this Deed shall be his/her address as set out above or such other address as may be notified by notice to the others.

**12. Release and Confidentiality**

The parties release each other from and agree to indemnify the others from and liabilities under this Deed and Confidential Information after the termination of the Partnership, pursuant to this Deed or otherwise.

**13. Schedules**

The Schedule(s) referenced to this Deed form part of this Deed.

**14. Governing Law and Jurisdiction**

14.1 This Deed and any dispute or claim (whether in connection with it, its subject matter or formation or otherwise) shall be governed by, and construed in accordance with, the laws of England and Wales.

14.2 The Partners irrevocably and exclusively agree that any dispute or claim (whether in connection with it, its subject matter or formation or otherwise) shall be referred to and finally determined by the courts of England and Wales shall have [exclusive/non-exclusive] jurisdiction to settle any dispute or claim (whether in connection with it, its subject matter or formation or otherwise).

**IN WITNESS OF WHICH** the parties have hereunto signed and affixed their seals on the day and year first above written.

Signed by <<Insert Name>>

In the presence of:  
<<Witness Signature>>  
<<Witness Name>>  
<<Witness Address>>  
Signed by <<Insert Name>>



In the presence of:  
<<Witness Signature>>  
<<Witness Name>>  
<<Witness Address>>

Signed by <<Insert Name>>

In the presence of:  
<<Witness Signature>>  
<<Witness Name>>  
<<Witness Address>>

Signed by <<Insert Name>>

In the presence of:  
<<Witness Signature>>  
<<Witness Name>>  
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