

Partnership Insurance

Double Option Agreement- Life of Another

Death Benefit Only



Note:
Please complete in
BLOCK CAPITALS.

DRAFT: Zurich Life Assurance plc recommends that this form is referred to the client's solicitor to ensure that its terms reflect the parties' intentions in regulating the sale of their interests in the partnership and that the agreement is compatible with the terms of the written Partnership Agreement, if any.

This Agreement dated the day of is made

between (list of partners)

(hereinafter called 'the partners')

Whereas

(a) The partners are all the partners in the firm known as (name of partnership)

(hereinafter called 'the partnership')

(b) The partners are desirous of entering into the following Agreement so that on the death of any party hereto his personal representative(s) shall have the option to sell and the surviving parties hereto shall have the option to purchase the deceased party's share in the partnership on the terms hereinafter appearing.

Now this agreement witnesses as follows:

1. In consideration of the provision of Clause 2 hereof on the death of any party hereto the surviving parties shall have the option to purchase the deceased's shares in the partnership from the deceased's personal representative(s) such option to be exercised by notice in writing served within six months from the date of death and on the exercise of such option the deceased's personal representative(s) shall sell the share to the survivors on the terms hereinafter appearing.
2. In consideration of the provision of Clause 1 hereof on the death of any party hereto the deceased's personal representative(s) shall have the option to sell the deceased's share in the partnership to the surviving parties such option to be exercised by notice in writing served within six months from the date of death and on the exercise of such option the surviving parties shall purchase the share from the deceased's personal representative(s) on the terms hereinafter appearing.
3. The price shall (in default of agreement between the parties hereto or between the survivors and the personal representative(s) of the deceased) be such price as may be determined on the occurrence of the death of any party hereto as the fair value thereof by the partnership's auditors (together with interest at the rate of the then current AAA bank overdraft rate per centum per annum on the amount of the said price calculated from the date of death of the deceased).
4. If either option is exercised then (in default of agreement between the surviving parties hereto) the purchase of the deceased's shares by the surviving parties hereto shall be made rateably according to their shares in the partnership immediately prior to the exercise of such option.
5. Each of the partners hereby covenants with each of the other partners that in consideration of a policy of life insurance being effected and maintained by each of the other partners respectively with Zurich Life Assurance plc in terms of the application form dated:

and signed by each of the other partners he/she (so long as the said policies are effected and maintained) will him/herself effect and maintain a policy with Zurich Life Assurance plc in terms of the application form dated:

and signed by him/her.

Continued overleaf

6. This Agreement shall:

- (a) bind the personal representative(s) of each of the parties hereto to sell his/her share in the partnership on his/her death if the survivors shall exercise their option but shall not bind any such personal representative(s) to purchase any share in the partnership from the personal representative(s) of any other party hereto;
- (b) cease to have effect on the dissolution of the partnership.



Please sign.

Signature of partner
X

Signature of witness
X



Please sign.

Signature of partner
X

Signature of witness
X



Please sign.

Signature of partner
X

Signature of witness
X



Please sign.

Signature of partner
X

Signature of witness
X

Zurich Life Assurance plc

Zurich House, Frascati Road, Blackrock, Co. Dublin, Ireland.

Telephone: 01 283 1301 Fax: 01 283 1578 Website: www.zurichlife.ie

Zurich Life Assurance plc is regulated by the Central Bank of Ireland.

Intended for distribution within the Republic of Ireland.

The information contained herein is based on Zurich Life's understanding of current Revenue practice as at August 2014 and may change in the future.