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# Lahore Leads University

Submitted To. Mr. Irfan Kashfeet

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Registration No. F22-1304

Subject. Legal Drafting

Assignment Topic. Deed of Settlement

Date. 13-04-2026

Date

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# Deed of Settlement

## introduction.

Settlement is an important concept in Property law and legal drafting. it refers to a legal arrangement through which a person transfers or distributes Property for the bet benefit of certain persons. A settlement is generally made through a written document called a settlement Deed. Which sets out the terms and conditions governing the Property

## Meaning

Settlement means the disposition or transfer of Property by a person (settlor) to another person or persons (beneficiaries or trustees) for their benefit according to certain condition

## Definition.

Settlement is a legal instrument by which Property is transferred or limited to be enjoyed by different persons in succession or for a specific purpose.

it may involve family Property, trust Property, or Property transferred for maintenance or charity

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# Parties to A Settlement.

A settlement usually involves the following parties

## 1. Settlor

The person who creats the settlement and transfers the property.

**Example.** A father settling property for his children

## 2. Trustee

A person appointed to manage the property on behalf of the beneficiaries the trustee must act honestly and according to the terms of the settlement deed.

## 3. Beneficiary.

The person who receives the benefit from the property settled.

**Example.** Wife, children, relatives or any other person named in the deed.

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# Objective of Settlement.

The main purposes of settlement include
1) Distribution of Property among family members
2) Providing financial security for dependents
3) Avoiding disputes and litigation
4) Ensuring Purpose management of property
5) Protecting Property for future generations
6) Carrying out charitable or religious purpose

# Essential Elements.

For a settlement to be legally Valid, certain elements must be present

## 1) Clear intention.

The settlor must clearly intend to create a settlement and transfer property right

## 2) Competent Parties.

The settlor must be legally competent to transfer Property (major, sound mind, and not disqualified by law)

## 3) identifiable Property

The property being settled must be clearly described

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4) Beneficiaries.
The persons who will receive the benefit must be identifiable

5) Lawful Purpose.
The settlement must not be made for illegal purpose

6) Written Document
in most cases particularly for immovable property, the settlement must be in writing and registered

## Type of Settlement

### i) Family Settlement.
A family settlement is an arrangement between members of the same family to distribute property and resolve disputes peacefully.

### 2) Voluntary Settlement
A settlement made voluntarily without any consideration.

### 3) Testamentary Settlement
A settlement made through through a will, which becomes effectives after the death of the settlor

### 4) Trust Settlement
A settlement where property is transferred to trustees for the benefit of beneficiaries.

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## 5) Marriage settlement

A settlement made for the benefits of spouses or children in connection with marriage

## Legal Requirements for settlement Deed

When drafting a settlement deed, the following legal requirements must be observed.

1) The deed must be written on proper stamp paper
2) it must be signed by the settlor
3) it should be attested by witnesses
4) if it relates to immovable property it must be registered under the Registration Act
5) Full description of property must be included

Failure to follow these requirements may render the settlement invalid or unenforceable

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# Structure of Settlement Deed

## Deed of Settlement

This Deed of settlement is made on this 25-a-2025 at Lahore

**Between**

Zahid Hussain S/o Fazal Hussain Residence, Lahore House No 7 Gulbrage streat 3 **(Settlor)**

Shahid Hussain S/o Rasheed Hussain Residence, House No 5 Lahore Ferdous Market Streat 5

**(Beneficiaries)**

## WHEREAS

i) That the settlor is the lawful and absolute owner of the property described bellow.

ii) That the settlor desires to settle and transfer the said property for the benefit of his Neehw (Beneficiaries)

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3) That the settlor is executing this deed Voluntarily without any coercion, fraud or undue influence

## Now This Deed Witnesseth As Follow.

## Transfer of Property.

That the settlor hereby transfers and settles the Property in favor of the beneficiaries mentioned above

## Purpose of Settlement

That the Property is settled for the financial security and residence of the Beneficiaries

## Management of Property

That until the Beneficiaries attain full financial independence, the Property shall be managed by Mr. Akram Khan (Brother of settlor) who shall act honestly and in the best interest of the beneficiaries

## Right of Beneficiaries

That the Beneficiaries shall have full right to use, enjoy and possess the property subject to the term of this deed.

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## Restrictions

That the Property shall not be sold, transferred or mortgaged without mutual consent of all Beneficiaries

## Description of Property

## Location

House No. 7 Gulbrage Street 3 Lahore

## Area:

10 Marla

## Boundaries

North = Street No. 3

South: House No. 43

East = Park

West = Road

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**In Witness Whereof**
The Parties have signed this deed of settlement on the day, month, and year first above Written.

**Signatures**

Settlor. _____

(Zahid Hussain)

Beneficiary. _____

(Shahid Hussain)

**Witnesses**

**Witness No. 1**

Name. _____

CNic. _____

Signature. _____

**Witness No. 2**

Name. _____

CNic. _____

Signature. _____