



ATTORNEY-
GENERAL'S
CHAMBERS

LIMITED PARTNERSHIPS IN SINGAPORE

(Consultation Paper)

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LAW REFORM AND REVISION DIVISION
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SINGAPORE

LIMITED PARTNERSHIPS IN SINGAPORE

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**LAW REFORM AND REVISION DIVISION
ATTORNEY-GENERAL'S CHAMBERS**

LIMITED PARTNERSHIPS IN SINGAPORE

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CONSULTATION PAPER

LIMITED PARTNERSHIPS IN SINGAPORE: IMPLEMENTATION ISSUES

Introduction

1. This consultation paper considers implementation issues in the establishment of limited partnerships (“LPs”) in Singapore, along the lines of the UK Limited Partnerships Act 1907 (“UKLPA”). A separate paper will consider the issues for Limited Liability Partnerships (“LLPs”).

The Limited Partnership

2. The Consultation Paper of the Company Legislation and Regulatory Framework Committee (CLRFC) considered the introduction of limited partnerships in Singapore (see paragraph 2 of the paper, which is available at <http://www.mof.gov.sg/cor/clrfc.html>):

ADEQUACY OF LEGAL STRUCTURES

2.1 General

2.1.1 Currently, the primary business structures that exist in Singapore are sole proprietorships, partnerships, companies and branches of foreign companies. Unincorporated structures involve unlimited liability but have minimal public reporting obligations. Incorporated structures are accorded limited liability and consequently have more rigorous reporting requirements.

2.1.2 To enhance Singapore’s role as an international business and financial centre, we should continue to provide the widest possible menu of business structures to facilitate the conduct of domestic and international business activities. Our review of available business structures indicates that Singapore currently lacks the tax transparent limited partnership (“LP”) structure, as well as the limited liability partnership (“LLP”) structure that was recently introduced in the UK.

2.1.3 LPs are commonly used as tax efficient vehicles in asset securitization and to achieve US tax transparency for private equity and investment funds. The UK Limited Partnerships Act 1907 provides for partnerships which “consist of one or more persons called general partners, who shall be liable for all debts and obligations of the firm, and

one or more persons to be called limited partners, who shall at the time of entering into such partnership contribute thereto a sum or sums as capital or property valued at a stated amount, and who shall not be liable for the debts and obligations of the firm beyond the amount so contributed.” Limited partners may take no part in the management of the firm and have no power to bind the firm. All limited partners must be registered with the regulators. These limited partnerships may enjoy lower registration and continuing compliance obligations. They therefore offer lower costs for start-ups and small family businesses whilst providing some (but not all) partners with limited liability.

Registration

Registry and Registrar

3.1 A partnership is not a legal entity, and can be formed by contract. The general understanding and expectation is that all partners are liable for the obligations of the partnership. The limited partnership is different from a normal partnership in that limited partners are not liable for the debts of the partnership beyond their own contributions. Some form of registration is required to ensure certainty as to the identity of partners with limited liability.

3.2 A registry of limited partnerships must be maintained, which will involve additional expenditure for the Government. In the UK, the registrar of joint stock companies is also the registrar of limited partnerships, and offices for the registration of joint stock companies are designated as offices for the registration of limited partnerships. The equivalent of this authority in Singapore is the Registrar of Companies.

3.3 Registered information on limited partnerships, including subsequent changes, should be available to the public, and some mechanism for public access must be maintained. This could be along the same lines as information on registered companies and businesses. It appears that the Registry of Companies and Businesses with its expertise, infrastructure and statutory functions, is a suitable agency for this role. This issue will also determine the Ministry responsible for the proposed Act.

Question 1: Who will be responsible for the registry of limited partnerships?

Registration Process and Information Required

3.4 Under section 8 of the UKLPA, registration may be effected by post or delivery to the registrar at the registry office. According to Lindley and Banks on Partnerships (16 ed. 1990 at paragraph 29-22), the required registration is

completed when the required information is delivered directly to the registrar’s office, or when it is simply sent by post.

3.5 A postal approach is neither necessary nor desirable in Singapore. Considering the size of Singapore, there is convenient access to any registry that may be established. Registration should be by way of an application in a prescribed form. The limited partnership should come into effect, in terms of limited liability for limited partners, only on the issue of a certificate of registration by the registrar, from the date stated therein.

Question 2: Should the registration of LPs be complete only on the issue of a Certificate of Registration?

3.6 The following table shows the information that has to be registered under the Business Registration Act (Cap.32), with the proposed information that would be required for limited partnerships. The proposed information is similar to that required in the UK, except that more detailed information is required to ensure alignment with the requirements of the Business Registration Act (see e.g. paragraph (e)).

INFORMATION REQUIRED FOR REGISTRATION

Business Registration Act (Section 6)	Proposed Limited Partnership
(a) the business name;	(a) the firm name;
(b) the general nature of the business;	(b) the general nature of the business;
(c) the principal place of business and any other place where the business is carried on;	(c) the principal place of business and any other place where the business is carried on;
(d) the name, identification (if any), nationality and the usual place of residence of every person responsible for the management of the business;	(d) the name, identification (if any), nationality and the usual place of residence of every person responsible for the management of the business;
(e) where the business is to be carried on by a firm, the name, identification (if any), nationality and the usual place of residence of every partner and, where a partner is a corporation, the corporate name, registration	(e) the full name, identification (if any), nationality and the usual place of residence of every partner and, where a partner is a corporation, the corporate name, registration number and registered office of the

<p>number and registered office of the corporation;</p> <p>(f) where the business is to be carried on by an individual, the name, identification (if any), nationality and the usual place of residence of that individual;</p> <p>(g) where the business is to be carried on by a corporation, its corporate name, registration number and registered office; and</p> <p>(h) the date or proposed date of commencement of business.</p>	<p>corporation;</p> <p>(f) the term, if any, for which the partnership is entered into, and the date of its commencement;</p> <p>(g) a statement that the partnership is limited, and the description of every limited partner as such;</p> <p>(h) the sum contributed by each limited partner; and whether paid in cash or how otherwise.</p>
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Question 3: Do you agree with the proposed information required for registration?

Registration of Businesses: Business Registration Act

3.7 Under the common law, partnerships can be formed by contract. With exceptions, businesses that are not registered companies must apply for the registration of the business with the Registrar of Businesses (see sections 5 and 4(2), Business Registration Act) before the commencement of business (section 5, Business Registration Act). Partnerships, including limited partnerships (if established), are subject to this requirement. The particulars required for the registration of businesses (which includes normal “unlimited” partnerships) are very similar to those that would be required for the registration of limited partnerships. Many of the principles in the Business Registration Act should also apply to the registration of limited partnerships. These include a discretion to reject an application (section 9A), the power to cancel registration (section 9B), the power to inspect (section 19) and limited legal immunity (section 29). The registration of limited partnerships can be integrated with the existing scheme for the registration of businesses, with some amendments and additional requirements. This would however, involve significant amendments to the Business Registration Act.

3.8 A separate scheme for registration can also be established. As the Business Registration Act is currently worded, limited partnerships would have to register under it before commencing business. Under a separate scheme, limited partnerships should be exempted from the scope of the Business Registration

Act (e.g. by expanding section 4(2), Business Registration Act), in order to avoid the need for an additional registration with the Registry of Businesses. The Registrar of Limited Partnerships should then have the same administrative powers as the Registrar of Businesses. The draft Limited Partnership Bill in Annex B is based on the UKLPA, with the inclusion of some provisions from the Business Registration Act to establish a separate registry. There would be nothing to prevent this separate registry from operating in the same premises as an existing registry like the Registry of Companies and Businesses.

3.9 The possible establishment of limited liability partnerships should be considered, as it would also require a registration system. In principle, it is preferable to have less registries for various types of businesses. Partnerships would be administered by three different registries if separate models are adopted, with normal partnerships under the Registry of Businesses and limited partnerships and limited liability partnerships with their own registries.

Question 4: Should the registration of limited partnerships be integrated with registration under the Business Registration Act?

Business Name

4.1 As limited partners have limited liability, a legal requirement to publicize such fact should be considered. Limited liability companies for example, have to identify themselves as such. The Bill to introduce the UKLPA had a provision for the identification of such a firm as a "limited firm", but it was not eventually incorporated into the Act. The limited partnership is different from limited companies in that there would be at least one general partner with unlimited liability; but parties who deal with limited partnerships may expect to be alerted to such fact. A limited partner of good financial standing may be held out as a partner, and third parties may deal with the partnership, unaware of the limited liability of such partner. The expressions (and abbreviations) that can be used are:

- Limited Firm, abbreviated as LF; and
- Limited Partnership, abbreviated as LP.

4.2 There would be a similar issue for limited liability partnerships. The case for identification would be much stronger with limited liability partnerships as they are similar in many respects to limited liability companies. The obvious expression would be:

- Limited Liability Partnership, abbreviated as LLP

Some confusion cannot be avoided if both limited liability partnerships and limited partnerships are established in Singapore. The use of "LLP" and "LP" for limited liability partnerships and limited partnerships respectively would have the

advantage of consistency of terminology, but users would have to be extra careful with typographical errors as an additional or missing “L” would denote a completely different partnership. The use of “LLP” and “LF” respectively may result in less confusion, but could invite questions as to the difference between a partnership and a firm.

Question 5: Should limited partnerships be required to identify themselves as limited partnerships, for the benefit of those who may deal with such partnerships? If yes, what expression or abbreviation should be required in the name?

Professional Partnerships

5 Partnerships that are formed for the purpose of carrying on a profession may have different types of partners, and some of these partners may not have any role in the management of the firm. A fee earning salaried or equity partner who does not have any role in the management of the firm may arguably become a limited partner.

Question 6: Should professionals be allowed to form limited partnerships?

Maximum Number of Partners

6 Partnerships of more than 20 persons have to be registered as companies (section 17(3) Companies Act, Cap.50), with an exception for partnerships formed for the purpose of carrying on a profession or calling which can only be carried on by those who possess qualifications prescribed by law (section 17(4)). Limited partnerships meant for investment purposes may find the current limit to be restrictive, especially if the idea is to pool resources from a significant number of investors who will have no administrative or management role. The UK government has announced its intention to remove the 20-partner limit. An alternative to the removal of the limit is to confine the existing limit to general partners, and define another limit, if any, for limited partners.

Question 7: Should the current limit of 20 partners be removed altogether? If not, should there be a different limit for all partnerships or only for limited partnerships?

Rules of Court

7 The current Rules of Court (e.g. Order 77) do not distinguish between general and limited partners. They are based on the existing law, which is unlimited liability for partners, and would treat all partners equally. For example, O 77 r 3 states that a partner can accept service of a writ on behalf of the partnership. The acceptance of service would not be an act of management (which a limited partner is not allowed to perform) and it may be preferable to

clearly limit this to general partners. Under the general law, a partner may bring an action on behalf of the firm. It may also be preferable to clearly confine this to general partners. Order 81 of the UK RSC, which is the UK equivalent of Order 77, does not distinguish between general and limited partners; but this fact has been the subject of negative comment (see Lindley and Banks on Partnership, 16ed 1990, paragraphs 30-25 to 27).

Question 8: Should the Rules of Court be amended to distinguish between general and limited partners?

Insolvency and Winding Up

8.1 The Bankruptcy Act and Rules (Cap.20) and the Companies Act do not distinguish between general and limited partners. Under the Companies Act, partnerships may be wound up as an unregistered company (see section 350, Companies Act). If the relevant provisions are not amended, any existing references to “partner” will also apply to limited partners. This means that in general, limited partners would have the same rights and obligations as general partners.

8.2 The UK Insolvency Act 1986 and the UK Insolvent Partnerships Order 1986 do not in general distinguish between limited and ordinary partnerships, but there are two specific provisions to deal with the position of limited partners in the UK Insolvent Partnerships Order 1994 (1994/2421):

- (a) Article 11 and Schedule 7, which allows all the members of a insolvent partnership to present a joint bankruptcy petition if there are no corporate or limited partners (as an alternative to the winding up an unregistered company); and
- (b) Article 10 and Schedule 6, which allows the dismissal of a petition against a limited partner if he lodges sufficient money or security to meet his liability of for the debts of the partnership or if he satisfies the court that he is no longer under any liability in respect of the debts and obligations of the partnership.

Question 9: Should the Bankruptcy Act and Rules and the Companies Act distinguish between general and limited partners?

Income Taxation

9.1 A partnership is not a legal entity, and its partners are liable to income tax on their own share of the profits of the partnership. From an administrative point of view, a tax return will be made by the firm under section 71 of the Income Tax Act (Cap.134, “ITA”), together with information on each partner’s share of the

income. Income, losses and allowances will be divided amongst the partners according to their share of the income of the partnership.

9.2 The ITA does not distinguish between general and limited partners. Some amendments may be necessary to make clear, for example, that the partner with the obligation to submit a return (section 71, ITA) should not be a limited partner.

Question 10: Should the Income Tax Act distinguish between limited partners and general partners?

Tax Transparency

9.3 The CLRFC emphasized that there should be tax transparency, in that income and capital gains should flow through the partnership untaxed. Limited partnerships can be used for tax planning purposes. The CLRFC did not elaborate on exactly how the limited partnership would be used as an investment device. The provider of venture capital would probably invest a fixed sum and become a limited partner. Investors that sponsor research would target rights over any resulting intellectual property. Financial investments would probably require trustees to hold and manage the investments. The tax situation under existing law may not be so simple as to allow for the transparent flow of income. Some of these arrangements may resemble unit trusts. In the UK, guidelines on the structure of venture capital limited partnerships were issued after detailed discussions between venture capitalists, the Revenue and the Department of Trade and Industry (see (1987) STI 783). Limited partnerships would not be attractive investment vehicles if the tax issues are not resolved.

Question 11: Should discussions on tax transparency be held before the Limited Partnership Bill is tabled?

Losses and Allowances

9.4 In *Reed (Inspector of Taxes) v Young* [1986] 1 WLR 649, a limited partnership suffered a huge trading loss. A limited partner contributed a total of £15,000 to the partnership, but his "share" of the loss was £41,144. The issue was whether the limited partner could deduct the full loss against other income even though his liability with respect to obligations of the partnership was limited to the contribution. The House of Lords held that the concepts of income and liability were unrelated, and the limited partner was entitled to use his full share of the loss. The fact that the limited partner was not liable for obligations beyond his capital contribution was immaterial, as the loss was in fact sustained by the partnership. If this reasoning is adopted in Singapore, there would be a similar result under the Singapore ITA (see sections 10 and 36). The legal position has been reversed in the UK by 117 of the Income and Corporation Taxes Act 1988 ("ICTA"), which limits claims for losses and allowances to the capital contribution of the limited partner at the relevant time (see Annex D).

Question 12: Should limited partners be able to claim losses and allowances (for income tax purposes) in excess of their capital contribution?

Discontinuance

9.5 A partnership is not a legal entity, and even when the same firm name is used, there will technically be a new partnership when, for example, a new partner is admitted (see *Osler v Hall* [1933] 1 KB 720; *CIT v Gibbs* [1942] AC 402). For income tax purposes, this can have implications in terms of the discontinuance of a source of business and the commencement of a new one (see section 35A, Income Tax Act).

9.6 Frequent changes in partners can result in multiple sets of accounts and higher costs. Limited partnerships that are used as investment vehicles may have frequent changes in partners.

9.7 Although it can be argued that those who want transparent continuity should incorporate a company, the UK nonetheless enacted special provisions to allow partnerships to be assessed on a continuing basis in some situations (see s 113 (2) ICTA, in Annex E). This option is available to all partnerships, and is not confined to limited partnerships.

Question 13: Should there be special provisions to allow all partnerships to be assessed (for income tax purposes) on a continuing basis, even in the event of a change of partners?

- Annex A: Summary of Questions.
- Annex B: Draft Limited Partnership Bill.
- Annex C: Comparative Table
- Annex D: Extracts from the UK Insolvent Partnership Order 1994 No 2421.
- Annex E: Extracts from the UK Income and Corporation Taxes Act 1988, including sections 117 and 113 (2).

ANNEX A**1. SUMMARY OF QUESTIONS**

- Question 1: Who will be responsible for the registry of limited partnerships? (See para. 3.1 – 3.3)
- Question 2: Should the registration of LPs be complete only on the issue of a Certificate of Registration? (See para. 3.4 – 3.5)
- Question 3: Do you agree with the proposed information required for registration? (See para. 3.6)
- Question 4: Should the registration of limited partnerships be integrated with registration under the Business Registration Act? (See para. 3.7 – 3.9)
- Question 5: Should limited partnerships be required to identify themselves as limited partnerships, for the benefit of those who may deal with such partnerships? If yes, what expression or abbreviation should be required in the name? (See para. 4.1 and 4.2)
- Question 6: Should professionals be allowed to form limited partnerships? (See para. 5.1)
- Question 7: Should the current limit of 20 partners be removed altogether? If not, should there be a different limit for all partnerships or only for limited partnerships? (See para. 6.1)
- Question 8: Should the Rules of Court be amended to distinguish between general and limited partners? (See para. 7.1)
- Question 9: Should the Bankruptcy Act and Rules and the Companies Act distinguish between general and limited partners? (See para. 8.1 – 8.2)
- Question 10: Should the Income Tax Act distinguish between limited partners and general partners? (See para. 9.1 – 9.2)
- Question 11: Should discussions on tax transparency be held before the Limited Partnership Bill is tabled? (See para. 9.3)
- Question 12: Should limited partners be able to claim losses and allowances (for income tax purposes) in excess of their capital contribution? (See para. 9.4)

Question 13: Should there be special provisions to allow all partnerships to be assessed (for income tax purposes) on a continuing basis, even in the event of a change of partners? (See para. 9.5 – 9.7)

ANNEX B

A BILL

intituled

An Act to provide for the registration of Limited Partnerships in Singapore and for matters incidental thereto.

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

PART I

PRELIMINARY

Short title and commencement

1. This Act may be cited as the Limited Partnerships Act 2002 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

Interpretation

2.—(1) In this Act, unless the context otherwise requires —

“business” includes every form of trade, commerce, craftsmanship, calling, profession and any activity carried on for the purpose of gain;

“business name” means the name or style under which a person carries on business;

“certificate of registration” means a certificate issued under section 10;

“corporation” means a company registered under the Companies Act (Cap.50) or under any corresponding previous legislation and includes any body corporate formed or incorporated outside Singapore and any branch or subsidiary thereof;

“firm” means —

(a) an unincorporated body of 2 or more individuals;

(b) one or more individuals and one or more corporations; or

(c) 2 or more corporations,

who have entered into partnership with one another with a view to carrying on business for profit;

“general partner” shall mean any partner who is not a limited partner as defined in this Act;

“individual” means a natural person and includes an administrator, executor, liquidator, trustee, nominee of any person, guardian and committee having a direct control or management of any business but does not include a corporation;

“limited partnership” has the same meaning as in section 3;

“person” includes a corporation, firm, foreign firm and individual;

“person responsible for the management of a business” includes every person at any time charged either solely or to a substantial extent with the management of a business;

“register” means any register kept under or by virtue of the provisions of this Act;

“Registrar” means the Registrar of Limited Partnerships appointed under section 4 and includes any Deputy Registrar or Assistant Registrar of Limited Partnerships appointed under that section.

(2) A person who has a place of business in Singapore shall be deemed to be carrying on business in Singapore for the purposes of this Act.

(3) Where a firm carrying on business is required under this Act to do any act or thing, the person responsible for the management of the business for or on behalf of the first-mentioned person shall also be answerable for the doing of or omission to do that act or thing.

Definition and constitution of limited partnership

3.—(1) From the date of commencement of this Act limited partnerships may be formed in the manner and subject to the conditions of this Act.

(2) A limited partnership shall not consist of more than 20 persons.

(3) A limited partnership must consist of one or more persons called general partners, who shall be liable for all debts and obligations of the firm, and one or more persons to be called limited partners, who shall at the time of entering into such partnership contribute thereto a sum or sums as capital or property valued at a stated amount, and who shall not be liable for the debts or obligations of the firm beyond the amount so contributed.

(4) A limited partner shall not during the continuance of the partnership, directly or indirectly, draw out or receive back any part of his contribution, and if he does so draw out or receive back any such part, he shall be liable for the debts and obligations of the firm up to the amount so drawn out or received back.

(5) A body corporate may be a limited partner.

Appointment of Registrar of Limited Partnerships, etc.

4.—(1) The Minister may appoint a public officer by name or office to be the Registrar of Limited Partnerships and may also appoint from amongst public officers such Deputy Registrars and Assistant Registrars of Limited Partnerships as he may consider necessary for the purposes of this Act.

[Alternative wording: “The Registrar of Businesses shall be the Registrar of Limited Partnerships and Deputy Registrars and Assistant Registrars of Businesses shall be Deputy Registrars and Assistant Registrars of Limited Partnerships respectively.”]

(2) The Registrar may, subject to such conditions or restrictions as he thinks fit, for the purposes of the administration of this Act delegate to any person all or any of the powers, functions and duties vested in him by this Act.

(3) The Registrar shall be responsible generally for the carrying out of the provisions of this Act and for the collection of the fees thereunder and shall pay all amounts collected in respect thereof into the Consolidated Fund.

PART II

REGISTRATION

Registration of limited partnership required

5.—(1) Subject to the provisions of this Act, every firm carrying on business in Singapore as a limited partnership shall make an application to the Registrar in the prescribed manner for registration under this Act.

(2) An application under subsection (1) shall be made before a firm commences carrying on business.

(3) Until a certificate of registration is issued, every limited partner shall be deemed to be a general partner.

Modifications of general law in case of limited partnerships

6.—(1) A limited partner shall not take part in the management of the partnership business, and shall not have power to bind the firm.

(2) A limited partner may by himself or his agent at any time inspect the books of the firm and examine into the state and prospects of the partnership business, and may advise with the partners thereon.

(3) If a limited partner takes part in the management of the partnership business he shall be liable for all debts and obligations of the firm incurred while he so takes part in the management as though he were a general partner.

(4) A limited partnership shall not be dissolved by the death or bankruptcy of a limited partner, and the mental incapacity of a limited partner shall not be a ground for dissolution of the partnership by the court unless the mentally incapacitated person's share cannot be otherwise ascertained and realised.

(5) In the event of the dissolution of a limited partnership its affairs shall be wound up by the general partners unless the court otherwise orders.

(6) Subject to any agreement expressed or implied between the partners —

- (a) any difference arising as to ordinary matters connected with the partnership business may be decided by a majority of the general partners;
- (b) a limited partner may, with the consent of the general partners, assign his share in the partnership, and upon such an assignment the assignee shall become a limited partner with all the rights of the assignor;
- (c) the other partners shall not be entitled to dissolve the partnership by reason of any limited partner suffering his share to be charged for his separate debt;

- (d) a person may be introduced as a partner without the consent of the existing limited partners;
- (e) a limited partner shall not be entitled to dissolve the partnership by notice.

Law as to private partnerships to apply where not excluded by this Act

7. Subject to the provisions of this Act, the Partnership Act (Cap.391), and the rules of equity and of common law applicable to partnerships, except so far as they are inconsistent with the express provisions of the Partnership Act, shall apply to limited partnerships.

Manner and particulars of registration

8.—(1) Every person who makes an application for registration of a limited partnership shall lodge with the Registrar a statement in such medium and in such form as the Registrar may require, containing the following particulars:

- (a) the firm name;
- (b) the general nature of the business;
- (c) the principal place of business and any other place where the business is carried on;
- (d) the name, identification (if any), nationality and the usual place of residence of every person responsible for the management of the business;
- (e) the name, identification (if any), nationality and the usual place of residence of every partner and, where a partner is a corporation, the corporate name, registration number and registered office of the corporation;
- (f) the term, if any, for which the partnership is entered into, and the date of its commencement;
- (g) a statement that the partnership is limited, and the description of every limited partner as such;
- (h) the sum contributed by each limited partner, and whether paid in cash or how otherwise.

(2) The Registrar may, in any particular case where he thinks fit, require the statement referred to in subsection (1) to be —

- (a) verified by an approved company auditor, a solicitor, a notary public or a practising member of the Singapore Association of the Institute of Chartered Secretaries and Administrators; or

(b) affirmed by a statutory declaration made by the person who signed the statement.

(3) In this section —

“approved company auditor” and “solicitor” have the same meanings as in the Companies Act (Cap.50);

“identification”, in the case of any person issued with an identity card, means the number of the identity card and, in the case of a person not issued with an identity card, the particulars of the passport or such other similar evidence of identification as is available.

Statement to be signed by persons registering

9.—(1) The statement required for the purposes of registration shall be signed —

- (a) by the individuals who are partners and by a director or the secretary of every corporation which is a partner;
- (b) by some individual who will be a general partner on the issue of a certificate of registration; or
- (c) by a director or the secretary of a corporation which will be a general partner on the issue of a certificate of registration.

(2) Where the statement referred to in subsection (1) is signed in accordance with paragraph (b) or (c) of that subsection, the statement shall be verified by an affidavit made by the signatory and if there is more than one signatory by an affidavit made by each of the signatories.

(3) No affidavit affirmed or sworn under subsection (2) stating that any person other than the declarant is a partner, or omitting to state that any person other than the declarant is a partner, shall be evidence for or against any such other person in respect of his liability or non-liability as a partner.

(4) The High Court may, on application of any person alleged or claiming to be a partner, direct the rectification of the register and decide any question arising under this section.

Registration and issuance of certificate of registration

10.—(1) On receiving the statement referred to in section 8, the Registrar shall, subject to the provisions of this Act, cause that statement, upon payment of the prescribed fee, to be entered in the register.

(2) The Registrar shall, upon the registration of a firm in accordance with subsection (1), issue a certificate of registration in such form as the Registrar may determine.

(3) A certificate of registration issued under this section shall be valid for a period of 3 years and shall, subject to the provisions of this Act and upon payment of the prescribed fee in such manner and through such channels as determined by the Registrar, be renewable for a period of 3 years in respect of each renewal.

(4) On receiving an application for the renewal of a certificate of registration, the Registrar may require additional particulars or other information and may refuse to renew the certificate of registration if he is not furnished with those particulars or information.

(5) Nothing in this section shall be construed to require the Registrar to register any firm or renew any certificate of registration if he is not satisfied with the particulars or other information furnished under the provisions of this Act.

(6) The issue or renewal of a certificate of registration to any firm shall not be deemed to imply that the requirements of any law in relation to any business carried on by that firm have been complied with.

(7) A certificate of registration issued or renewed under this section may be sent by post to the principal place of business of the firm and the certificate or certified copy thereof shall be exhibited in a conspicuous place at the principal place of business of the firm and every other place where the firm carries on a business.

Power to refuse registration

11.—(1) Notwithstanding anything contained in this Act or any other written law, the Registrar shall refuse to register a firm under this Act where he is satisfied that —

- (a) the proposed business is likely to be used for an unlawful purpose or for purposes prejudicial to public peace, welfare or good order in Singapore; or
- (b) it would be contrary to the national security or interest for the firm to be registered.

(2) Any person aggrieved by the decision of the Registrar under subsection (1) may, within 30 days of the date of the decision, appeal to the Minister whose decision shall be final.

Power to cancel registration

12.—(1) The Registrar may cancel the registration of a firm if —

- (a) the Registrar is satisfied that the business of such firm is being used or is intended to be used for an unlawful purpose or for purposes prejudicial to public peace, welfare or good order in Singapore, or that it would be contrary to the national security or interest for the firm to continue to be registered under this Act; or

(b) in connection with the business of such firm, any general partner has been convicted of an offence under the Charities Act (Cap.37).

(2) The Registrar shall, before cancelling any registration under subsection (1), give the firm notice in writing of his intention to cancel the registration at the expiration of such period, not being less than 30 days, as is specified in the notice.

(3) Any person aggrieved by the cancellation under subsection (1) may, within 30 days of the date of the cancellation, appeal to the Minister whose decision shall be final.

Minister can determine national security and interest

13.—(1) For the purpose of sections 11 and 12, a certificate issued by the Minister charged with the responsibility for internal security stating that he is satisfied that it would be contrary to the national security or interest for the firm named in the certificate to be registered or to continue to be registered under this Act shall be conclusive evidence of the matters so stated.

(2) Section 12(2) shall not apply in a case where the Registrar cancels the registration of a firm under section 12(1)(a) pursuant to a certificate referred to in subsection (1).

Name of limited partnership and use of business names

14.—(1) A limited partnership shall have “Limited Firm” as part of and at the end of its name.

(2) It shall be lawful to use and no description of a limited partnership shall be deemed inadequate or incorrect by reason of the use of the abbreviation “LF” in lieu of “Limited Firm”.

(3) A firm which is registered under this Act shall not carry on business under a name which has not been filed with the Registrar under section 8.

(4) Where a firm registered under this Act carries on business under a name which has not been filed with the Registrar under section 8, each general partner shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000.

(5) The registration of a name under which a firm carries on business shall not be construed as authorising the use of that name if, apart from such registration, the use thereof could be prohibited.

Restriction on registration of similar business names

15.—(1) Where the Registrar is satisfied that any person registered under this Act carries on business, or any person applying for registration under this Act intends to carry on business, under a name which —

- (a) is identical to that of any other corporation or the name under which another person carries on business or a name that is being reserved under section 27 of the Companies Act (Cap.50);
- (b) so nearly resembles the name of any corporation or the name under which another person carries on business or a name that is being reserved under section 27 of the Companies Act as to be calculated to mislead, except where such other corporation is in the course of being dissolved or wound up or such other person signifies its or his consent in such manner as the Registrar may require; or
- (c) is, in the opinion of the Registrar, undesirable or is a name of a kind which the Minister has directed the Registrar not to accept for registration,

the Registrar may cancel his registration or refuse to register him, as the case may be, unless he changes the name within 30 days from the date the Registrar requested him to do so.

(2) Any person aggrieved by a decision of the Registrar under subsection (1) may, within 30 days of the date of the decision, appeal to the Minister whose decision shall be final.

Registration of changes in partnerships

16.—(1) Whenever, in a limited partnership, a change is made or occurs in any of the particulars registered under section 8, including the liability of any partner by reason of his becoming a limited instead of a general partner or a general instead of a limited partner, the firm, shall within 14 days of the change, or such further period as the Registrar may on application allow, lodge with the Registrar a statement in such form as the Registrar may determine specifying the nature and date of the change, signed in like manner as the statement required for the purposes of registration.

(2) Where a partner of a firm that is registered under this Act has changed his residential address and has made a report of the change under section 8 of the National Registration Act (Cap.201) within 14 days thereof, the Registrar shall be deemed to have been informed of the change of his residential address in compliance with subsection (1).

(3) Where a person ceases to be a partner of a firm registered under this Act, that person and the persons who continue to be registered as partners of the firm shall,

within 14 days after the cessation, lodge with the Registrar a statement in such form as the Registrar may determine notifying the Registrar of the cessation.

(4) Where any person required to lodge the statement referred to in subsection (3) cannot be located or found, the Registrar may allow the other persons who are required to do so to lodge the statement.

(5) Section 8(2) and (3) shall apply, with the necessary modifications, to any statement lodged under subsection (1), (3) or (4).

(6) Subsection (3) shall not be construed to affect the generality of subsection (1).

Cessation of business

17.—(1) Where any firm registered under this Act has ceased to carry on business, the firm shall, within 14 days of the cessation, lodge with the Registrar a notice in such form as the Registrar may determine notifying the Registrar that it has ceased to carry on business.

(2) The Registrar may, if he thinks fit, allow a firm registered under this Act to lodge with the Registrar a notice, in such form as the Registrar may determine, notifying the Registrar in advance that it shall cease to carry on business on the date specified in the notice.

(3) Any person who fails to comply with subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000.

(4) On receipt of the notice under subsection (1) or on the date specified in the notice under subsection (2), as the case may be, the Registrar may cancel the registration of the firm and remove the name of the firm from the register.

(5) Where the Registrar has reasonable cause to believe that any firm registered under this Act is not carrying on business, he may send, by registered post to the registered principal place of business of the firm, a notice to the effect that if an answer showing cause to the contrary is not received within one month from the date thereof, the registration of that firm may be cancelled and the name under which he carries on business removed from the register.

(6) If the Registrar either receives an answer from the firm referred to in subsection (5) to the effect that he is not carrying on business, or does not within one month after sending the notice receive an answer showing cause to the contrary, he may cancel the registration of that firm and remove the name of the firm from the register.

(7) The Registrar shall, by notification in the *Gazette*, publish such particulars as he thinks fit in respect of any firm whose registration has been cancelled under this section.

(8) Where the registration of a firm is cancelled under this section, the certificate of registration issued to that firm shall be deemed to be cancelled.

Rectification of register

18.—(1) Where it appears to the High Court, as a result of evidence adduced before it, that —

- (a) any of the particulars recorded in a register is incorrect;
- (b) a misleading business name has been registered; or
- (c) the use of a business name should be prohibited,

the High Court may, by order, direct the Registrar to rectify the register in the manner specified in the order.

(2) The Registrar shall, upon receipt of the order, rectify the register accordingly.

Rectification of mistakes

19.—(1) The Registrar shall have power at all times to rectify any mistake in order to bring the entry in the register relating to a firm into conformity with the documents relating to that firm furnished under this Act.

(2) On application made by all the parties who have signed any particulars relating to a person under this Act the Registrar may rectify any mistake in those particulars or in the record or note thereof made in the register.

Request for copy of certificate of registration, etc.

20.—(1) Any person may, upon payment of such fees as may be prescribed, require a copy of a certificate of registration issued to any firm, or a copy of or an extract from any document filed with the Registrar, to be certified by the Registrar.

(2) Any copy or extract, including a copy produced by way of such medium as determined by the Registrar, given under subsection (1) which is certified to be a true copy or extract under the hand and seal of the Registrar shall, in any proceedings, be admissible in evidence as of equal validity with the original document.

(3) A register shall not be open to inspection by the public.

(4) The Registrar shall not be required to issue under subsection (1) a copy of or extract from a document forming part of the register where that document has been destroyed under section 34.

Information service — exclusion of liability for errors or omissions

21. Where the Registry of Businesses furnishes, in any form, information relating to a firm registered under this Act to any person, neither the Government nor any of its employees in the Registry or any authorised agent of the Registry who is involved in the supply of such information shall be liable for any loss or damage suffered by any person, by reason of any error or omission, of whatever nature or however caused, if the error or omission is made in good faith and in the ordinary course of the discharge of the duties of the employee or authorised agent or has occurred or arisen as a result of any defect or breakdown in the service or in any of the equipment used for the service.

Electronic filing service

22.—(1) The Registrar may allow any document required to be lodged under this Act to be sent electronically through the service provided by the Registry of Limited Partnerships or its authorised agents for the use of subscribers whereby documents required under this Act may be filed electronically with the Registry or its authorised agents.

(2) Where the Registry of Limited Partnerships or its authorised agents provide a service for the use of subscribers whereby documents required under this Act may be filed electronically with the Registry or its authorised agents, neither the Government nor any of its employees in the Registry or any authorised agent of the Registry shall be liable for any loss or damage, suffered by any person by reason of any error or omission, of whatever nature or however caused, appearing in any document obtained by any person under the service if the error or omission is made in good faith and in the ordinary course of the discharge of the duties of the employee or authorised agent or has occurred or arisen as a result of any defect or breakdown in the service or in any of the equipment used for the service.

Disability of firms in default

23.—(1) Where a firm required to be registered under this Act —

- (a) carries on business without a valid certificate of registration; or
- (b) fails to furnish any information required under section 14,

then the rights of the defaulter under or arising out of any contract, in relation to the business carried on by the defaulter in respect of which no valid certificate of registration is in force or there is non-compliance with section 14, made or entered into by or on behalf of the defaulter at any time while he is in default shall, subject to subsection (2), not be enforceable by action or other legal proceedings either in the business name or otherwise.

(2) A defaulter referred to in subsection (1) may apply to the court for relief against the disability imposed by this section and the court, on being satisfied that

the default was accidental or due to inadvertence or some other sufficient cause, or that on other grounds it is just and equitable to grant relief, may grant such relief either generally, or as respects any particular contract, on condition that the costs of the application are paid by the defaulter, unless the court otherwise orders, and on such other conditions (if any) as the court may impose.

(3) Relief under subsection (2) shall not be granted except on such service and publication of notice of the application as the court may order, nor shall relief be given in respect of any contract if any party to the contract proves to the satisfaction of the court that, if the provisions of this Act had been complied with, he would not have entered into the contract.

(4) This section shall not prejudice the rights of any other party as against the defaulter referred to in subsection (1) in respect of a contract mentioned in that subsection.

(5) If any action or proceedings shall be commenced by any other party against the defaulter referred to in subsection (1) to enforce the rights of a party in respect of that contract, this section shall not preclude the defaulter from enforcing in that action or proceedings, by way of counter-claim, set-off or otherwise, such rights as he may have against that party in respect of that contract.

(6) Without prejudice to the powers of the court to grant the relief referred to in subsection (2), if any proceedings to enforce any contract is commenced by a defaulter referred to in subsection (1) in a District or Magistrate's Court, the District or Magistrate's Court may, as regards that contract, grant relief under this section.

(7) In this section, "court" means the High Court or a Judge thereof.

PART III

MISCELLANEOUS

Appeal

24. Any person who is aggrieved by the refusal of the Registrar to issue or renew a certificate of registration may, within 30 days of the date of such refusal, appeal to the Minister whose decision shall be final.

Advertisement of statement of general partner becoming a limited partner and of assignment of share of limited partner

25. Notice of any arrangement or transaction under which any person will cease to be a general partner in any firm, and will become a limited partner in that firm, or under which the share of a limited partner in a firm will be assigned to any person, shall be forthwith advertised in the *Gazette* or any electronic information

service that may be prescribed by the Minister, and until notice of the arrangement or transaction is so advertised the arrangement or transaction shall, for the purposes of this Act, be deemed to be of no effect.

Inspection

26.—(1) The Registrar may authorise in writing any public officer to be an inspector for the purposes of this Act.

(2) The Registrar or any inspector shall, for the purposes of ascertaining whether the provisions of this Act are being complied with, have power at all reasonable times to enter into any premises at which he has reason to believe any person is carrying on business and there to make such examination and inquiry as may be necessary for those purposes.

(3) The Registrar and every inspector when exercising any power under this Act shall declare his office and shall produce his authority in writing to any person affected by the exercise of that power.

(4) Any person who fails to comply with a request made by or resists or obstructs the Registrar or an inspector in the performance of his duties under this Act shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

(5) It shall not be an offence for any person to refuse to comply with any request made by the Registrar or an inspector, or to resist or obstruct the Registrar or an inspector in the performance of any of his duties under this Act, if the Registrar or inspector fails to declare his office and to produce his authority in writing.

Power of Registrar to obtain further information

27.—(1) In order to obtain such information as the Registrar may consider necessary for the purposes of carrying out the provisions of this Act regarding any person the particulars of whom and of his business are required to be registered under this Act, the Registrar may —

- (a) require any person responsible for the management of his business to answer any question in writing which the Registrar may consider necessary to ask for the purposes specified in this subsection; or
- (b) summon that person to appear before him or an inspector or any other public officer whom the Registrar may designate to answer any such question orally.

(2) The Registrar may further require the person referred to in subsection (1) to make such further declaration or supply such further particulars as the Registrar may require.

Business carried on by local managers

28.—(1) In any case in which all the general partners of any firm registered under this Act reside outside Singapore, and the business of the firm is carried on in Singapore in the name of the firm by a local manager, the local manager shall be personally responsible for the discharge of all obligations attaching to the firm and its partners under this Act.

(2) In the case of any default in respect of any such obligation referred to in subsection (1), the local manager shall be subject to the same responsibilities, liabilities and penalties as the firm in whose name he carries on the business, or as a partner in the firm, or as a director or secretary of a corporation that is a partner in the firm, as the case may be, and all the penal and other provisions of this Act shall be construed accordingly.

Restriction on undischarged bankrupt being manager

29.—(1) Any person who, being an undischarged bankrupt, directly or indirectly, takes part in or is concerned in the management of any business carried on by any firm required to be registered under this Act, without the leave of the High Court or the written permission of the Official Assignee, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding 2 years or to both.

(2) On an application by an undischarged bankrupt under subsection (1) to the High Court or the Official Assignee, as the case may be, the High Court or the Official Assignee may refuse the application or approve the application subject to such condition as the High Court or the Official Assignee, as the case may be, may impose.

(3) The leave of the High Court for the purpose of this section shall not be given unless notice of intention to apply therefor has been served on the Official Assignee and the Official Assignee is heard on the application.

Offences

30. Any person who —

- (a) being a person required to be registered under this Act carries on business without having obtained a certificate of registration or continues to carry on business after the expiry or cancellation of a certificate of registration;
- (b) fails to submit any change of particulars which is required to be submitted to the Registrar under section 16;
- (c) without lawful excuse fails to comply with any summons or requisition of the Registrar under section 27;

- (d) makes any statement or furnishes any information to the Registrar under the provisions of this Act which is false in any material particular or by reason of the omission of any material particular and which he either knows or has reason to believe is false;
- (e) being a person registered under this Act carries on business without exhibiting a valid certificate of registration or a certified copy thereof in a conspicuous place at the principal place of business of the person referred to in the certificate and at every place where that person carries on business; or
- (f) fails to comply with any of the regulations made under this Act,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

Evidence of carrying on business under a business name

31. If, in any proceedings for an offence under this Act, proof is given that a business name has been displayed in any premises, and evidence is given from which the court may infer that the business name has reference to any business carried on at the premises, the person or persons carrying on the business shall, in the absence of proof to the contrary, be presumed to be carrying on the business under that business name.

Composition of offences

32.—(1) The Registrar may, in his discretion, compound any such offence under this Act as may be prescribed as being an offence which may be compounded by collecting from a person reasonably suspected of having committed the offence a sum of money not exceeding \$1,000.

(2) On payment of such sum of money, no further proceedings shall be taken against that person in respect of the offence.

(3) The Minister may make regulations to prescribe the offences which may be compounded and the method and procedure by which those offences may be compounded under this section.

Officers and inspectors deemed to be public servants

33. All officers and inspectors appointed under this Act shall be deemed to be public servants within the meaning of the Penal Code (Cap.224).

Destruction of old records

34. The Registrar may destroy or give to the National Archives of Singapore any document lodged, filed or registered with the Registrar and which has been

microfilmed or converted to electronic form if in his opinion it is no longer necessary or desirable to retain the document.

Enforcement of duty to make returns

35.—(1) If any person, having made default in complying with —

- (a) any provision of this Act or of any other law which requires the lodging or filing in any manner with the Registrar of any return, account or other document or the giving of notice to him of any matter; or
- (b) any request of the Registrar to amend or complete and resubmit any document or to submit a fresh document,

fails to make good the default within 14 days after the service on the person of a notice requiring it to be done, a District or Magistrate's Court may, on application by the Registrar, make an order directing that person, or if that person is a corporation any officer thereof, to make good the default within such time as is specified in the order.

(2) Any such order may provide that all the costs of and incidental to the application shall be borne by that person or by any officer of the corporation responsible for the default if that person is a corporation.

(3) Nothing in this section shall limit the operation of any other provision of this Act or any written law imposing penalties on that person including an officer of a corporation if that person is a corporation in respect of any such default referred to in this section.

Liability of partners, directors, etc.

36.—(1) Where an offence under this Act is committed by a corporation or other body corporate and the offence is proved to have been committed with the consent or connivance of, or to have been facilitated by any neglect on the part of, any director, chairman, manager, secretary or other officer of the corporation or other body corporate he, as well as the corporation or body corporate, shall be deemed to be guilty of the offence and shall be liable to be punished accordingly.

(2) Where any agent or employee in the course of his employment does or omits to do any act, the doing of which or omission to do which by his principal or employer would be an offence under this Act that agent or employee shall be guilty of that offence.

(3) Any person who would have been guilty of an offence if anything had been done or omitted to be done by him personally shall be guilty of that offence and shall be liable to the same penalty if that thing had been done or omitted to be done by his partner, agent or employee in the course of the partnership business or in the course of his employment, as the case may be, unless he proves to the satisfaction of the court that the offence was committed without his knowledge or

consent and that he took all reasonable precautions to prevent the doing of or omission to do that thing.

(4) In this section —

“director”, “manager” and “officer” have the same meanings as in the Companies Act (Cap.50);

“secretary” means —

(a) in the case of a company incorporated under the Companies Act or under any corresponding previous written law, a secretary appointed under section 171 of that Act;

(b) in the case of a body corporate formed or incorporated outside Singapore or any of its branches or subsidiaries, a person appointed to act in such capacity,

and includes an assistant or a deputy secretary.

(5) This section shall be in addition to and not in derogation of any other provisions of this Act.

Government and its employees not liable to suit

37.—(1) Neither the Registrar nor any public officer or employee of the Government shall be under any liability in respect of any error or inaccuracy in a register or in respect of any error or inaccuracy (whether in the copying or otherwise) in any certificate, certified extract, copy or other document made or issued under this Act and no court shall entertain any suit or other proceedings or damages in respect of any such matter.

(2) Notwithstanding anything to the contrary in any written law, the Government shall not be under any liability or be liable to be sued in respect of any of the matters referred to in subsection (1).

Persons carrying on unlawful business

38.—(1) Nothing in this Act shall be construed to require the Registrar to register a person who carries on any business which is unlawful and in the case of a person registered under this Act who carries on any business which is unlawful the Registrar shall cancel his registration.

(2) Any person aggrieved by the decision of the Registrar under subsection (1) may, within 30 days of the date of the decision, appeal to the Minister whose decision shall be final.

Service of summons, notices, etc.

39.—(1) Any notice, written communication, certificate or other document required to be given or served under the provisions of this Act shall be deemed to have been duly given or served if posted by the Registrar to the registered principal place of business of the person to whom it is addressed.

(2) Every summons issued by a court in connection with any offence under this Act may be served on the person concerned —

- (a) by delivering it to him;
- (b) by delivering it to any adult person residing at his last known place of residence; or
- (c) by forwarding it by registered post in a cover addressed to him at his last known place of residence or business or at any address furnished by him.

(3) In proving service by registered post, it shall be sufficient to prove that the cover containing the summons was properly addressed, stamped and posted by registered post.

Power to make regulations

40.—(1) The Minister may, from time to time, make regulations for carrying out the purposes of this Act.

(2) Without prejudice to the generality of the powers conferred by subsection (1), such regulations may prescribe —

- (a) the powers and duties of the Registrar;
- (b) the form of registers to be kept and the places at which the registers are to be kept;
- (c) restrictions as to the business name which may be used by a firm registered under this Act;
- (d) the fees to be charged in respect of anything done under or by virtue of this Act;
- (e) the persons or classes of persons who are to be exempted from the payment of any fee or part thereof; and
- (f) the penalties for the late lodgment of documents;

Saving for other written law

41. Nothing in this Act shall be construed as to limit or in any way affect any other written law.

EXPLANATORY STATEMENT

EXPENDITURE OF PUBLIC MONEY

This Bill will involve the Government in extra financial expenditure, the amount of which at present cannot be ascertained.

LIMITED PARTNERSHIPS ACT 2002 – COMPARATIVE TABLE

Limited Partnerships Act 2002

Business Registration Act (Cap. 32)

UK Limited Partnerships Act 1907
(taken from Halsbury's Statutes 4th
Edition)

A BILL

intituled

An Act to provide for the registration of Limited Partnerships in Singapore and for matters incidental thereto.

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

PART I

PRELIMINARY

Short title and commencement

1. This Act may be cited as the Limited Partnerships Act 2002 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

Interpretation

2.—(1) In this Act, unless the context otherwise requires —
“business” includes every form of trade, commerce, craftsmanship, calling, profession and any activity carried on for the purpose of gain;
“business name” means the name or style under which a person carries on business;
“certificate of registration” means a certificate issued under section 10;

“corporation” means a company registered under the Companies Act (Cap.50) or under any corresponding previous legislation and includes any body corporate formed or incorporated outside Singapore and any branch or subsidiary thereof;

“firm” means —

- (a) an unincorporated body of 2 or more individuals;
 - (b) one or more individuals and one or more corporations; or
 - (c) 2 or more corporations,
- who have entered into partnership with one another with a view to carrying on business for profit;

Interpretation

2.—(1) In this Act, unless the context otherwise requires —
“business” includes every form of trade, commerce, craftsmanship, calling, profession and any activity carried on for the purposes of gain but does not include any office, employment or occupation, or any of the businesses specified in the First Schedule;
“business name” means the name or style under which a person carries on business;

“certificate of registration” means a certificate issued under section 9,

“corporation” means a company registered under the Companies Act (Cap.50) or under any corresponding previous legislation and includes any body corporate formed or incorporated outside Singapore and any branch or subsidiary thereof;

“firm” means an unincorporated body of 2 or more individuals, or one or more individuals and one or more corporations, or 2 or more corporations, who have entered into partnership with one another with a view to carrying on business for profit;

“foreign firm” means any firm, individual or corporation

Business Registration Act (Cap. 32)

"individual" means a natural person and includes an administrator, executor, liquidator, trustee, nominee of any person, guardian and committee having a direct control or management of any business but does not include a corporation;

"inspector" means a person authorised in writing by the Registrar to be an inspector for the purposes of this Act;

"person" includes a corporation, firm, foreign firm and individual;

"person responsible for the management of a business" includes every director, manager, partner, officer, individual, secretary, agent or employee at any time charged either solely or to a substantial extent with the management of a business;

"register" means any register kept under or by virtue of the provisions of this Act;

"Registrar" means the Registrar of Businesses appointed under section 3 and includes any Deputy Registrar or Assistant Registrar of Businesses appointed under that section.

[40/99]

(2) A person who has a place of business in Singapore shall be deemed to be carrying on business in Singapore for the purposes of this Act.

(3) Where a person carrying on business is required under this Act to do any act or thing, the person responsible for the management of the business for or on behalf of the first-mentioned person shall also be answerable for the doing of or omission to do that act or thing.

[40/99]

Limited Partnerships Act 2002

"individual" means a natural person and includes an administrator, executor, liquidator, trustee, nominee of any person, guardian and committee having a direct control or management of any business but does not include a corporation;

"limited partnership" has the same meaning as in section 3;

"person" includes a corporation, firm, foreign firm and individual;

"person responsible for the management of a business" includes every person at any time charged either solely or to a substantial extent with the management of a business;

"register" means any register kept under or by virtue of the provisions of this Act;

"Registrar" means the Registrar of Limited Partnerships appointed under section 4 and includes any Deputy Registrar or Assistant Registrar of Limited Partnerships appointed under that section.

(2) A person who has a place of business in Singapore shall be deemed to be carrying on business in Singapore for the purposes of this Act.

(3) Where a firm carrying on business is required under this Act to do any act or thing, the person responsible for the management of the business for or on behalf of the first-mentioned person shall also be answerable for the doing of or omission to do that act or thing.

Limited Partnerships Act 2002

Business Registration Act (Cap. 32)

UK Limited Partnerships Act 1907
(taken from Halsbury's Statutes 4th
Edition)

Definition and constitution of limited partnership

3.—(1) From the date of commencement of this Act limited partnerships may be formed in the manner and subject to the conditions of this Act.

(2) A limited partnership shall not consist of more than 20 persons.

(3) A limited partnership must consist of one or more persons called general partners, who shall be liable for all debts and obligations of the firm, and one or more persons to be called limited partners, who shall at the time of entering into such partnership contribute thereto a sum or sums as capital or property valued at a stated amount, and who shall not be liable for the debts or obligations of the firm beyond the amount so contributed.

(4) A limited partner shall not during the continuance of the partnership, directly or indirectly, draw out or receive back any part of his contribution, and if he does so draw out or receive back any such part, he shall be liable for the debts and obligations of the firm up to the amount so drawn out or received back.

(5) A body corporate may be a limited partner.

4 Definition and constitution of limited partnership

(1) Limited partnerships may be formed in the manner and subject to the conditions by this Act provided.

(2) A limited partnership shall not consist of more than twenty persons, and must consist of one or more persons called general partners, who shall be liable for all debts and obligations of the firm, and one or more persons to be called limited partners, who shall at the time of entering into such partnership contribute thereto a sum or sums as capital or property valued at a stated amount, and who shall not be liable for the debts or obligations of the firm beyond the amount so contributed.

(3) A limited partner shall not during the continuance of the partnership, either directly or indirectly, draw out or receive back any part of his contribution, and if he does so draw out or receive back any such part shall be liable for the debts and obligations of the firm up to the amount so drawn out or received back.

(4) A body corporate may be a limited partner.

Limited Partnerships Act 2002

Appointment of Registrar of Limited Partnerships, etc.

4.—(1) The Minister may appoint a public officer by name or office to be the Registrar of Limited Partnerships and may also appoint from amongst public officers such Deputy Registrars and Assistant Registrars of Limited Partnerships as he may consider necessary for the purposes of this Act.

[Alternative wording: "The Registrar of Businesses shall be the Registrar of Limited Partnerships and Deputy Registrars and Assistant Registrars of Businesses shall be Deputy Registrars and Assistant Registrars of Limited Partnerships respectively."]

(2) The Registrar may, subject to such conditions or restrictions as he thinks fit, for the purposes of the administration of this Act delegate to any person all or any of the powers, functions and duties vested in him by this Act.

(3) The Registrar shall be responsible generally for the carrying out of the provisions of this Act and for the collection of the fees thereunder and shall pay all amounts collected in respect thereof into the Consolidated Fund.

Business Registration Act (Cap. 32)

Appointment of Registrar of Businesses, etc.

3.—(1) The Minister may appoint a public officer by name or office to be the Registrar of Businesses and may also appoint from amongst public officers such Deputy Registrars and Assistant Registrars of Businesses as he may consider necessary for the purposes of this Act.

15 Registrar of joint stock companies to be registrar under Act
The registrar of joint stock companies shall be the registrar of limited partnerships, and the several offices for the registration of joint stock companies in London, Edinburgh, and Dublin shall be the offices for the registration of limited partnerships carrying on business within those parts of the United Kingdom in which they are respectively situated.

(2) The Registrar may, subject to such conditions or restrictions as he thinks fit, for the purposes of the administration of this Act delegate to any person all or any of the powers, functions and duties vested in him by this Act.

(3) The Registrar shall be responsible generally for the carrying out of the provisions of this Act and for the collection of the fees thereunder and shall pay all amounts collected in respect thereof into the Consolidated Fund.

PART II
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REGISTRATION

Registration of limited partnership required

- 5.—(1) Subject to the provisions of this Act, every firm carrying on business in Singapore as a limited partnership shall make an application to the Registrar in the prescribed manner for registration under this Act.
- (2) An application under subsection (1) shall be made before a firm commences carrying on business.
- (3) Until a certificate of registration is issued, every limited partner shall be deemed to be a general partner.

PART II

REGISTRATION

Application for registration

- 5.—(1) Subject to the provisions of this Act, every person carrying on business in Singapore shall make an application to the Registrar in the prescribed manner for registration under this Act.
- (2) An application under subsection (1) shall be made before a person commences carrying on business.
- (3) Notwithstanding this section, only one application for registration is required to be made where the same person or persons carry on business under the same business name.
- 5 Registration of limited partnership required
- Every limited partnership must be registered as such in accordance with the provisions of this Act, or in default thereof it shall be deemed to be a general partnership, and every limited partner shall be deemed to be a general partner.

Modifications of general law in case of limited partnerships

6.—(1) A limited partner shall not take part in the management of the partnership business, and shall not have power to bind the firm.

(2) A limited partner may by himself or his agent at any time inspect the books of the firm and examine into the state and prospects of the partnership business, and may advise with the partners thereon.

(3) If a limited partner takes part in the management of the partnership business he shall be liable for all debts and obligations of the firm incurred while he so takes part in the management as though he were a general partner.

(4) A limited partnership shall not be dissolved by the death or bankruptcy of a limited partner, and the mental incapacity of a limited partner shall not be a ground for dissolution of the partnership by the court unless the mentally incapacitated person's share cannot be otherwise ascertained and realised.

(5) In the event of the dissolution of a limited partnership its affairs shall be wound up by the general partners unless the court otherwise orders.

(6) Subject to any agreement expressed or implied between the partners —

(a) any difference arising as to ordinary matters connected with the partnership business may be decided by a majority of the general partners;

(b) a limited partner may, with the consent of the general partners, assign his share in the partnership, and upon such an assignment the assignee shall become a limited partner with all the rights of the assignor;

(c) the other partners shall not be entitled to dissolve the partnership by reason of any limited partner suffering his share to be charged for his separate debt;

(d) a person may be introduced as a partner without the consent of the existing limited partners;

(e) a limited partner shall not be entitled to dissolve the partnership by notice.

6 Modifications of general law in case of limited partnerships

(1) A limited partner shall not take part in the management of the partnership business, and shall not have power to bind the firm.

Provided that a limited partner may by himself or his agent at any time inspect the books of the firm and examine into the state and prospects of the partnership business, and may advise with the partners thereon.

If a limited partner takes part in the management of the partnership business he shall be liable for all debts and obligations of the firm incurred while he so takes part in the management as though he were a general partner.

(2) A limited partnership shall not be dissolved by the death or bankruptcy of a limited partner, and the lunacy of a limited partner shall not be a ground for dissolution of the partnership by the court unless the lunatic's share cannot be otherwise ascertained and realised.

(3) In the event of the dissolution of a limited partnership its affairs shall be wound up by the general partners unless the court otherwise orders.

(4) . . .

(5) Subject to any agreement expressed or implied between the partners—

(a) Any difference arising as to ordinary matters connected with the partnership business may be decided by a majority of the general partners;

(b) A limited partner may, with the consent of the general partners, assign his share in the partnership, and upon such an assignment the assignee shall become a limited partner with all the rights of the assignor;

(c) The other partners shall not be entitled to dissolve the partnership by reason of any limited partner suffering his share to be charged for his separate debt;

(d) A person may be introduced as a partner without the consent of the existing limited partners;

(e) A limited partner shall not be entitled to dissolve the partnership by notice.

Limited Partnerships Act 2002

Law as to private partnerships to apply where not excluded by this Act

7. Subject to the provisions of this Act, the Partnership Act (Cap.391), and the rules of equity and of common law applicable to partnerships, except so far as they are inconsistent with the express provisions of the Partnership Act, shall apply to limited partnerships.

Manner and particulars of registration

8—(1) Every person who makes an application for registration of a limited partnership shall lodge with the Registrar a statement in such medium and in such form as the Registrar may require, containing the following particulars:

- (a) the firm name;
- (b) the general nature of the business;
- (c) the principal place of business and any other place where the business is carried on;
- (d) the name, identification (if any), nationality and the usual place of residence of every person responsible for the management of the business;
- (e) the name, identification (if any), nationality and the usual place of residence of every partner and, where a partner is a corporation, the corporate name, registration number and registered office of the corporation;
- (f) the term, if any, for which the partnership is entered into, and the date of its commencement;
- (g) a statement that the partnership is limited, and the description of every limited partner as such;
- (h) the sum contributed by each limited partner, and whether paid in cash or how otherwise.

Business Registration Act (Cap. 32)

UK Limited Partnerships Act 1907 (taken from Halsbury's Statutes 4th Edition)

7 Law as to private partnerships to apply where not excluded by this Act

Subject to the provisions of this Act the Partnership Act 1890 and the rules of equity and of common law applicable to partnerships, except so far as they are inconsistent with the express provisions of the last-mentioned Act, shall apply to limited partnerships.

8 Manner and particulars of registration

The registration of a limited partnership shall be effected by sending by post or delivering to the registrar at the register office in that part of the United Kingdom in which the principal place of business of the limited partnership is situated or proposed to be situated a statement signed by the partners containing the following particulars:—

- (a) The firm name;
- (b) The general nature of the business;
- (c) The principal place of business;
- (d) The full name of each of the partners;
- (e) The term, if any, for which the partnership is entered into and the date of its commencement;
- (f) A statement that the partnership is limited, and the description of every limited partner as such;
- (g) The sum contributed by each limited partner, and whether paid in cash or how otherwise.

Manner and particulars of registration

- (2) The Registrar may, in any particular case where he thinks fit, require the statement referred to in subsection (1) to be —
- (a) verified by an approved company auditor, a solicitor, a notary public or a practising member of the Singapore Association of the Institute of Chartered Secretaries and Administrators; or
 - (b) affirmed by a statutory declaration made by the person who signed the statement.

(3) In this section —

“approved company auditor” and “solicitor” have the same meanings as in the Companies Act (Cap.50);

“identification”, in the case of any person issued with an identity card, means the number of the identity card and, in the case of a person not issued with an identity card, the particulars of the passport or such other similar evidence of identification as is available.

6. - (2) The Registrar may, in any particular case where he thinks fit, require the statement referred to in subsection (1) to be —

- (a) verified by an approved company auditor, a solicitor, a notary public or a practising member of the Singapore Association of the Institute of Chartered Secretaries and Administrators; or
- (b) affirmed by a statutory declaration made by the person who signed the statement.

[40/99]

(4) In this section —

“approved company auditor” and “solicitor” have the same meanings as in the Companies Act (Cap.50);

“identification”, in the case of any person issued with an identity card, means the number of the identity card and, in the case of a person not issued with an identity card, the particulars of the passport or such other similar evidence of identification as is available.

Statement to be signed by persons registering

9.—(1) The statement required for the purposes of registration shall be signed —

- (a) by the individuals who are partners and by a director or the secretary of every corporation which is a partner;
- (b) by some individual who will be a general partner on the issue of a certificate of registration; or
- (c) by a director or the secretary of a corporation which will be a general partner on the issue of a certificate of registration.

4

(2) Where the statement referred to in subsection (1) is signed in accordance with paragraph (b) or (c) of that subsection, the statement shall be verified by an affidavit made by the signatory and if there is more than one signatory by an affidavit made by each of the signatories.

(3) No affidavit affirmed or sworn under subsection (2) stating that any person other than the declarant is a partner, or omitting to state that any person other than the declarant is a partner, shall be evidence for or against any such other person in respect of his liability or non-liability as a partner.

(4) The High Court may, on application of any person alleged or claiming to be a partner, direct the rectification of the register and decide any question arising under this section.

Statement to be signed by persons registering

8.—(1) The statement required for the purposes of registration shall be signed —

- (a) where the registration to be effected is that of an individual, by the individual;
- (b) where the registration to be effected is that of a corporation, by a director or secretary thereof;
- (c) where the registration to be effected is that of a foreign firm, by the manager or person having direct control of the management of the business and the statement shall be verified by an affidavit made by the signatory; and
- (d) where the registration to be effected is that of a firm —

(i) by the individuals who are partners and by a director or the secretary of every corporation which is a partner;

(ii) by some individual who is a partner; or

(iii) by a director or the secretary of a corporation which is a partner.

(2) Where the statement referred to in subsection (1) is signed in accordance with paragraph (d)(ii) or (iii) of that subsection, the statement shall be verified by an affidavit made by the signatory and if there are more than one signatory by an affidavit made by each of the signatories.

(3) No affidavit sworn under subsection (2) stating that any person other than the declarant is a partner, or omitting to state that any person other than the declarant is a partner, shall be evidence for or against any such other person in respect of his liability or non-liability as a partner.

(4) The High Court may, on application of any person alleged or claiming to be a partner, direct the rectification of the register and decide any question arising under this section.

Registration and issuance of certificate of registration

10.—(1) On receiving the statement referred to in section 8, the Registrar shall, subject to the provisions of this Act, cause that statement, upon payment of the prescribed fee, to be entered in the register.

(2) The Registrar shall, upon the registration of a firm in accordance with subsection (1), issue a certificate of registration in such form as the Registrar may determine.

(3) A certificate of registration issued under this section shall be valid for a period of 3 years and shall, subject to the provisions of this Act and upon payment of the prescribed fee in such manner and through such channels as determined by the Registrar, be renewable for a period of 3 years in respect of each renewal.

(4) On receiving an application for the renewal of a certificate of registration, the Registrar may require additional particulars or other information and may refuse to renew the certificate of registration if he is not furnished with those particulars or information.

(5) Nothing in this section shall be construed to require the Registrar to register any firm or renew any certificate of registration if he is not satisfied with the particulars or other information furnished under the provisions of this Act.

(6) The issue or renewal of a certificate of registration to any firm shall not be deemed to imply that the requirements of any law in relation to any business carried on by that firm have been complied with.

(7) A certificate of registration issued or renewed under this section may be sent by post to the principal place of business of the firm and the certified copy thereof shall be exhibited in a conspicuous place at the principal place of business of the firm and every other place where the firm carries on a business.

Registration

9.—(2) The Registrar shall, upon the registration of a person in accordance with subsection (1), issue to that person a certificate of registration in such form as the Registrar may determine.

(3) A certificate of registration issued under this section shall be valid for a period of 3 years and shall, subject to the provisions of this Act and upon payment of the prescribed fee in such manner and through such channels as determined by the Registrar, be renewable for a period of 3 years in respect of each renewal.

(4) On receiving an application for the renewal of a certificate of registration, the Registrar may require additional particulars or other information and may refuse to renew the certificate of registration if he is not furnished with those particulars or information.

(5) Nothing in this section shall be construed to require the Registrar to register any person or renew any certificate of registration if he is not satisfied with the particulars or other information furnished under the provisions of this Act.

(6) The issue or renewal of a certificate of registration to any person shall not be deemed to imply that the requirements of any law in relation to any business carried on by that person, or to the persons carrying on the business or employed therein, have been complied with.

(7) A certificate of registration issued or renewed under this section may be sent by post to the person registered and the certificate or certified copy thereof shall be exhibited in a conspicuous place at the principal place of business of the person and at every other place where the person carries on business.

13 **Registrar to file statement and issue certificate of registration**
On receiving any statement made in pursuance of this Act the registrar shall cause the same to be filed, and he shall send by post to the firm from whom such statement shall have been received a certificate of the registration thereof.

Power to refuse registration

11.—(1) Notwithstanding anything contained in this Act or any other written law, the Registrar shall refuse to register a firm under this Act where he is satisfied that —

- (a) the proposed business is likely to be used for an unlawful purpose or for purposes prejudicial to public peace, welfare or good order in Singapore; or
- (b) it would be contrary to the national security or interest for the firm to be registered.

(2) Any person aggrieved by the decision of the Registrar under subsection (1) may, within 30 days of the date of the decision, appeal to the Minister whose decision shall be final.

Power to cancel registration

12.—(1) The Registrar may cancel the registration of a firm if

- (a) the Registrar is satisfied that the business of such firm is being used or is intended to be used for an unlawful purpose or for purposes prejudicial to public peace, welfare or good order in Singapore, or that it would be contrary to the national security or interest for the firm to continue to be registered under this Act; or
- (b) in connection with the business of such firm, any general partner has been convicted of an offence under the Charities Act (Cap.37).

(2) The Registrar shall, before cancelling any registration under subsection (1), give the firm notice in writing of his intention to cancel the registration at the expiration of such period, not being less than 30 days, as is specified in the notice.

(3) Any person aggrieved by the cancellation under subsection (1) may, within 30 days of the date of the cancellation, appeal to the Minister whose decision shall be final.

Power to refuse registration

9A.—(1) Notwithstanding anything contained in this Act or any other written law, the Registrar shall refuse to register a person under this Act where he is satisfied that —

- (a) the proposed business is likely to be used for an unlawful purpose or for purposes prejudicial to public peace, welfare or good order in Singapore; or
- (b) it would be contrary to the national security or interest for the person to be registered.

[40/99]
(2) Any person aggrieved by the decision of the Registrar under subsection (1) may, within 30 days of the date of the decision, appeal to the Minister whose decision shall be final.

[31A
[40/99]

Power to cancel registration

9B.—(1) The Registrar may cancel the registration of a person if —

- (a) the Registrar is satisfied that the business of such person is being used or is intended to be used for an unlawful purpose or for purposes prejudicial to public peace, welfare or good order in Singapore, or that it would be contrary to the national security or interest for the person to continue to be registered under this Act; or
- (b) in connection with his business, he or the person responsible for the management of the business or the person carrying on the business has been convicted of an offence under the Charities Act (Cap.37).

[40/99, 36/2000]
(2) The Registrar shall, before cancelling any registration under subsection (1), give the person notice in writing of his intention to cancel the registration at the expiration of such period, not being less than 30 days, as is specified in the notice.

[40/99]
(3) Any person aggrieved by the cancellation under subsection (1) may, within 30 days of the date of the cancellation, appeal to the Minister whose decision shall be final.

[31B
[40/99]

Limited Partnerships Act 2002

Business Registration Act (Cap. 32)

UK Limited Partnerships Act 1907
(taken from Halsbury's Statutes 4th
Edition)

Minister can determine national security and interest

13.—(1) For the purpose of sections 11 and 12, a certificate issued by the Minister charged with the responsibility for internal security stating that he is satisfied that it would be contrary to the national security or interest for the firm named in the certificate to be registered or to continue to be registered under this Act shall be conclusive evidence of the matters so stated.

(2) Section 12(2) shall not apply in a case where the Registrar cancels the registration of a firm under section 12(1)(a) pursuant to a certificate referred to in subsection (1).

Supplemental provision to sections 9A and 9B

9C.—(1) For the purpose of sections 9A and 9B, a certificate issued by the Minister charged with the responsibility for internal security stating that he is satisfied that it would be contrary to the national security or interest for the person named in the certificate to be registered or to continue to be registered under this Act shall be conclusive evidence of the matters so stated.

[36/2000]

(2) Section 9B(2) shall not apply in a case where the Registrar cancels the registration of a person under section 9B(1)(c) pursuant to a certificate referred to in subsection (1).

[31C

[36/2000]

Name of limited partnership and use of business names

14.—(1) A limited partnership shall have "Limited Firm" as part of and at the end of its name.

(2) It shall be lawful to use and no description of a limited partnership shall be deemed inadequate or incorrect by reason of the use of the abbreviation "LF" in lieu of "Limited Firm".

(3) A firm which is registered under this Act shall not carry on business under a name which has not been filed with the Registrar under section 8.

(4) Where a firm registered under this Act carries on business under a name which has not been filed with the Registrar under section 8, each general partner shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000.

(5) The registration of a name under which a firm carries on business shall not be construed as authorising the use of that name if, apart from such registration, the use thereof could be prohibited.

Use of business names

10.—(2) Where a person registered under this Act carries on business under a name which has not been filed with the Registrar under section 6, he shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000.

(3) The registration of a name under which a person carries on business shall not be construed as authorising the use of that name if, apart from such registration, the use thereof could be prohibited.

Restriction on registration of similar business names

15.—(1) Where the Registrar is satisfied that any person registered under this Act carries on business, or any person applying for registration under this Act intends to carry on business, under a name which —

- (a) is identical to that of any other corporation or the name under which another person carries on business or a name that is being reserved under section 27 of the Companies Act (Cap.50);
- (b) so nearly resembles the name of any corporation or the name under which another person carries on business or a name that is being reserved under section 27 of the Companies Act as to be calculated to mislead, except where such other corporation is in the course of being dissolved or wound up or such other person signifies its or his consent in such manner as the Registrar may require; or
- (c) is, in the opinion of the Registrar, undesirable or is a name of a kind which the Minister has directed the Registrar not to accept for registration,

the Registrar may cancel his registration or refuse to register him, as the case may be, unless he changes the name within 30 days from the date the Registrar requested him to do so.

(2) Any person aggrieved by a decision of the Registrar under subsection (1) may, within 30 days of the date of the decision, appeal to the Minister whose decision shall be final.

Restriction on registration of similar business names

11.—(1) Where the Registrar is satisfied that any person registered under this Act carries on business, or any person applying for registration under this Act intends to carry on business, under a name which —

- (a) is identical to that of any other corporation or the name under which another person carries on business or a name that is being reserved under section 27 of the Companies Act (Cap.50);
- (b) so nearly resembles the name of any corporation or the name under which another person carries on business or a name that is being reserved under section 27 of the Companies Act as to be calculated to mislead, except where such other corporation is in the course of being dissolved or wound up or such other person signifies its or his consent in such manner as the Registrar may require; or
- (c) is, in the opinion of the Registrar, undesirable or is a name of a kind which the Minister has directed the Registrar not to accept for registration,

the Registrar may cancel his registration or refuse to register him, as the case may be, unless he changes the name within 30 days from the date the Registrar requested him to do so.

(2) Any person aggrieved by a decision of the Registrar under subsection (1) may, within 30 days of the date of the decision, appeal to the Minister whose decision shall be final.

[40/99]

Registration of changes in partnerships

16.—(1) Whenever, in a limited partnership, a change is made or occurs in any of the particulars registered under section 8, including the liability of any partner by reason of his becoming a limited partner or a general partner or a general partner instead of a general partner, the firm, shall within 14 days of the cessation, or such further period as the Registrar may on application allow, lodge with the Registrar a statement in such form as the Registrar may determine specifying the nature and date of the change, signed in like manner as the statement required for the purposes of registration.

(2) Where a partner of a firm that is registered under this Act has changed his residential address and has made a report of the change under section 8 of the National Registration Act (Cap.201) within 14 days thereof, the Registrar shall be deemed to have been informed of the change of his residential address in compliance with subsection (1).

(3) Where a person ceases to be a partner of a firm registered under this Act, that person and the persons who continue to be registered as partners of the firm shall, within 14 days after the cessation, lodge with the Registrar a statement in such form as the Registrar may determine notifying the Registrar of the cessation.

(4) Where any person required to lodge the statement referred to in subsection (3) cannot be located or found, the Registrar may allow the other persons who are required to do so to lodge the statement.

(5) Section 8(2) and (3) shall apply, with the necessary modifications, to any statement lodged under subsection (1), (3) or (4).

(6) Subsection (3) shall not be construed to affect the generality of subsection (1).

Registration of changes in particulars

12.—(1) Whenever a change is made or occurs in any of the particulars registered in respect of any person or of the business carried on by him, that person shall, within 14 days after the change, or such further period as the Registrar may on application allow, lodge with the Registrar a statement in such form as the Registrar may determine specifying the nature and date of the change, signed and verified in like manner as the statement required for the purposes of registration.

[40/99]
(2) Where a person to whom this Act applies has changed his residential address and has made a report of the change under section 8 of the National Registration Act (Cap.201) within 14 days thereof, he shall be deemed to have informed the Registrar of the change of his residential address in compliance with subsection (1).

[28/94]
(3) Where a person ceases to be a partner of a firm registered under this Act, that person and the persons who continue to be registered as partners of the firm shall, within 14 days after the cessation, lodge with the Registrar a statement in such form as the Registrar may determine notifying the Registrar of the cessation.

[40/99]
(4) Where any person required to lodge the statement referred to in subsection (3) cannot be located or found, the Registrar may allow the other persons who are required to do so to lodge the statement.

[40/99]
(5) Section 6(2) and (4) shall apply, with the necessary modifications, to any statement lodged under subsection (1), (3) or (4).

[40/99]
(6) Subsection (3) shall not be construed to affect the generality of subsection (1).

Cessation of business

17.—(1) Where any firm registered under this Act has ceased to carry on business, the firm shall, within 14 days of the cessation, lodge with the Registrar a notice in such form as the Registrar may determine notifying the Registrar that it has ceased to carry on business.

(2) The Registrar may, if he thinks fit, allow a firm registered under this Act to lodge with the Registrar a notice, in such form as the Registrar may determine, notifying the Registrar in advance that it shall cease to carry on business on the date specified in the notice.

(3) Any person who fails to comply with subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000.

(4) On receipt of the notice under subsection (1) or on the date specified in the notice under subsection (2), as the case may be, the Registrar may cancel the registration of the firm and remove the name of the firm from the register.

(5) Where the Registrar has reasonable cause to believe that any firm registered under this Act is not carrying on business, he may send, by registered post to the registered principal place of business of the firm, a notice to the effect that if an answer showing cause to the contrary is not received within one month from the date thereof, the registration of that firm may be cancelled and the name under which he carries on business removed from the register.

(6) If the Registrar either receives an answer from the firm referred to in subsection (5) to the effect that he is not carrying on business, or does not within one month after sending the notice receive an answer showing cause to the contrary, he may cancel the registration of that firm and remove the name of the firm from the register.

(7) The Registrar shall, by notification in the *Gazette*, publish such particulars as he thinks fit in respect of any firm whose registration has been cancelled under this section.

(8) Where the registration of a firm is cancelled under this section, the certificate of registration issued to that firm shall be deemed to be cancelled.

Cessation of business

13.—(1) Where any person registered under this Act has ceased to carry on business, he shall, within 14 days of the cessation, lodge with the Registrar a notice in such form as the Registrar may determine notifying the Registrar that he has ceased to carry on business.

(2) The Registrar may, if he thinks fit, allow a person registered under this Act to lodge with the Registrar a notice, in such form as the Registrar may determine, notifying the Registrar in advance that he shall cease to carry on business on the date specified in the notice.

(3) Any person who fails to comply with subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000.

(4) On receipt of the notice under subsection (1) or on the date specified in the notice under subsection (2), as the case may be, the Registrar may cancel the registration of the person and remove from the register the name under which he carries on business.

(5) Where the Registrar has reasonable cause to believe that any person registered under this Act is not carrying on business, he may send by registered post to that person a notice to the effect that if an answer showing cause to the contrary is not received within one month from the date thereof, the registration of that person may be cancelled and the name under which he carries on business removed from the register.

(6) If the Registrar either receives an answer from the person referred to in subsection (5) to the effect that he is not carrying on business, or does not within one month after sending the notice receive an answer showing cause to the contrary, he may cancel the registration of that person and remove from the register the name under which he carries on business.

(7) The Registrar shall, by notification in the *Gazette*, publish such particulars as he thinks fit in respect of any person whose registration has been cancelled under this section.

(8) Where the registration of a person is cancelled under this section, the certificate of registration issued to that person shall be deemed to be cancelled.

Rectification of register

18.—(1) Where it appears to the High Court, as a result of evidence adduced before it, that —

- (a) any of the particulars recorded in a register is incorrect;
 - (b) a misleading business name has been registered; or
 - (c) the use of a business name should be prohibited,
- the High Court may, by order, direct the Registrar to rectify the register in the manner specified in the order.

(2) The Registrar shall, upon receipt of the order, rectify the register accordingly.

Rectification of mistakes

19.—(1) The Registrar shall have power at all times to rectify any mistake in order to bring the entry in the register relating to a firm into conformity with the documents relating to that firm furnished under this Act.

(2) On application made by all the parties who have signed any particulars relating to a person under this Act the Registrar may rectify any mistake in those particulars or in the record or note thereof made in the register.

Request for copy of certificate of registration, etc.

20.—(1) Any person may, upon payment of such fees as may be prescribed, require a copy of a certificate of registration issued to any firm, or a copy of or an extract from any document filed with the Registrar, to be certified by the Registrar.

(2) Any copy or extract, including a copy produced by way of such medium as determined by the Registrar, given under subsection (1) which is certified to be a true copy or extract under the hand and seal of the Registrar shall, in any proceedings, be admissible in evidence as of equal validity with the original document.

- (3) A register shall not be open to inspection by the public.
- (4) The Registrar shall not be required to issue under subsection (1) a copy of or extract from a document forming part of the register where that document has been destroyed under section 34.

Rectification of register

14.—(1) Where it appears to the High Court, as a result of evidence adduced before it, that —

- (a) any of the particulars recorded in a register is incorrect;
 - (b) a misleading business name has been registered; or
 - (c) the use of a business name should be prohibited,
- the High Court may, by order, direct the Registrar to rectify the register in the manner specified in the order.

(2) The Registrar shall, upon receipt of the order, rectify the register accordingly.

Rectification of mistakes

15.—(1) The Registrar shall have power at all times to rectify any mistake in order to bring the entry in the register relating to any person into conformity with the documents relating to that person furnished under this Act.

(2) On application made by all the parties who have signed any particulars relating to a person under this Act the Registrar may rectify any mistake in those particulars or in the record or note thereof made in the register.

Request for copy of certificate of registration, etc.

16.—(1) Any person may, upon payment of such fees as may be prescribed, require a copy of a certificate of registration issued to any person, or a copy of or an extract from any document filed with the Registrar, to be certified by the Registrar.

(2) Any copy or extract, including a copy produced by way of such medium as determined by the Registrar, given under subsection (1) which is certified to be a true copy or extract under the hand and seal of the Registrar shall, in any proceedings, be admissible in evidence as of equal validity with the original document.

- (3) A register shall not be open to inspection by the public.
- (4) The Registrar shall not be required to issue under subsection (1) a copy of or extract from a document forming part of the register where that document has been destroyed under section 25.

[40/99]

[40/99]

Information service — exclusion of liability for errors or omissions

21. Where the Registry of Businesses furnishes, in any form, information relating to a firm registered under this Act to any person, neither the Government nor any of its employees in the Registry or any authorised agent of the Registry who is involved in the supply of such information shall be liable for any loss or damage suffered by any person, by reason of any error or omission, of whatever nature or however caused, if the error or omission is made in good faith and in the ordinary course of the discharge of the duties of the employee or authorised agent or has occurred or arisen as a result of any defect or breakdown in the service or in any of the equipment used for the service.

Electronic filing service

22.—(1) The Registrar may allow any document required to be lodged under this Act to be sent electronically through the service provided by the Registry of Limited Partnerships or its authorised agents for the use of subscribers whereby documents required under this Act may be filed electronically with the Registry or its authorised agents.

(2) Where the Registry of Limited Partnerships or its authorised agents provide a service for the use of subscribers whereby documents required under this Act may be filed electronically with the Registry or its authorised agents, neither the Government nor any of its employees in the Registry or any authorised agent of the Registry shall be liable for any loss or damage, suffered by any person by reason of any error or omission, of whatever nature or however caused, appearing in any document obtained by any person under the service if the error or omission is made in good faith and in the ordinary course of the discharge of the duties of the employee or authorised agent or has occurred or arisen as a result of any defect or breakdown in the service or in any of the equipment used for the service.

Information service — exclusion of liability of errors or omissions

16A. Where the Registry of Businesses furnishes, in any form, information relating to a business registered under this Act to any person, neither the Government nor any of its employees in the Registry or any authorised agent of the Registry who is involved in the supply of such information shall be liable for any loss or damage suffered by any person, by reason of any error or omission, of whatever nature or however caused, if the error or omission is made in good faith and in the ordinary course of the discharge of the duties of the employee or authorised agent or has occurred or arisen as a result of any defect or breakdown in the service or in any of the equipment used for the service.

[40/99]

Electronic filing service

16B.—(1) The Registrar may allow any document required to be lodged under this Act to be sent electronically through the service provided by the Registry of Businesses or its authorised agents for the use of subscribers whereby documents required under this Act may be filed electronically with the Registry or its authorised agents.

[40/99]

(2) Where the Registry of Businesses or its authorised agents provide a service for the use of subscribers whereby documents required under this Act may be filed electronically with the Registry or its authorised agents, neither the Government nor any of its employees in the Registry or any authorised agent of the Registry shall be liable for any loss or damage, suffered by any person by reason of any error or omission, of whatever nature or however caused, appearing in any document obtained by any person under the service if the error or omission is made in good faith and in the ordinary course of the discharge of the duties of the employee or authorised agent or has occurred or arisen as a result of any defect or breakdown in the service or in any of the equipment used for the service.

[40/99]

Disability of firms in default

23.—(1) Where a firm required to be registered under this Act—

- (a) carries on business without a valid certificate of registration; or
- (b) fails to furnish any information required under section 14,

then the rights of the defaulter under or arising out of any contract, in relation to the business carried on by the defaulter in respect of which no valid certificate of registration is in force or there is non-compliance with section 14, made or entered into by or on behalf of the defaulter at any time while he is in default shall, subject to subsection (2), not be enforceable by action or other legal proceedings either in the business name or otherwise.

(2) A defaulter referred to in subsection (1) may apply to the court for relief against the disability imposed by this section and the court, on being satisfied that the default was accidental or due to inadvertence or some other sufficient cause, or that on other grounds it is just and equitable to grant relief, may grant such relief either generally, or as respects any particular contract, on condition that the costs of the application are paid by the defaulter, unless the court otherwise orders, and on such other conditions (if any) as the court may impose.

(3) Relief under subsection (2) shall not be granted except on such service and publication of notice of the application as the court may order, nor shall relief be given in respect of any contract if any party to the contract proves to the satisfaction of the court that, if the provisions of this Act had been complied with, he would not have entered into the contract.

(4) This section shall not prejudice the rights of any other party against the defaulter referred to in subsection (1) in respect of a contract mentioned in that subsection.

(5) If any action or proceedings shall be commenced by any other party against the defaulter referred to in subsection (1) to enforce the rights of a party in respect of that contract, this section shall not preclude the defaulter from enforcing in that action or proceedings, by way of counter-claim, set-off or otherwise, such rights as he may have against that party in respect of that contract.

Disability of persons in default

17.—(1) Where a person required to be registered under this Act—

- (a) carries on business without a valid certificate of registration; or
- (b) fails to furnish any information required under section 12,

then the rights of the defaulter under or arising out of any contract, in relation to the business carried on by the defaulter in respect of which no valid certificate of registration is in force or there is non-compliance with section 12, made or entered into by or on behalf of the defaulter at any time while he is in default shall, subject to subsection (2), not be enforceable by action or other legal proceedings either in the business name or otherwise.

(2) A defaulter referred to in subsection (1) may apply to the court for relief against the disability imposed by this section and the court, on being satisfied that the default was accidental or due to inadvertence or some other sufficient cause, or that on other grounds it is just and equitable to grant relief, may grant such relief either generally, or as respects any particular contract, on condition that the costs of the application are paid by the defaulter, unless the court otherwise orders, and on such other conditions (if any) as the court may impose.

(3) Relief under subsection (2) shall not be granted except on such service and publication of notice of the application as the court may order, nor shall relief be given in respect of any contract if any party to the contract proves to the satisfaction of the court that, if the provisions of this Act had been complied with, he would not have entered into the contract.

(4) This section shall not prejudice the rights of any other party against the defaulter referred to in subsection (1) in respect of a contract mentioned in that subsection.

(5) If any action or proceedings shall be commenced by any other party against the defaulter referred to in subsection (1) to enforce the rights of a party in respect of that contract, this section shall not preclude the defaulter from enforcing in that action or proceedings, by way of counter-claim, set-off or otherwise, such rights as he may have against that party in respect of that contract.

(6) Without prejudice to the powers of the court to grant the relief referred to in subsection (2), if any proceedings to enforce any contract is commenced by a defaulter referred to in subsection (1) in a District or Magistrate's Court, the District or Magistrate's Court may, as regards that contract, grant relief under this section.

(7) In this section, "court" means the High Court or a Judge thereof.

(6) Without prejudice to the powers of the court to grant the relief referred to in subsection (2), if any proceedings to enforce any contract is commenced by a defaulter referred to in subsection (1) in a District or Magistrate's Court, the District or Magistrate's Court may, as regards that contract, grant relief under this section.

(7) In this section, "court" means the High Court or a Judge thereof.

PART III

MISCELLANEOUS

Appeal

24. Any person who is aggrieved by the refusal of the Registrar to issue or renew a certificate of registration may, within 30 days of the date of such refusal, appeal to the Minister whose decision shall be final.

PART III

MISCELLANEOUS

Appeal

18. Any person who is aggrieved by the refusal of the Registrar to issue or renew a certificate of registration may, within 30 days of the date of such refusal, appeal to the Minister whose decision shall be final.

[40/99]

Advertisement of statement of general partner becoming a limited partner and of assignment of share of limited partner

25. Notice of any arrangement or transaction under which any person will cease to be a general partner in any firm, and will become a limited partner in that firm, or under which the share of a limited partner in a firm will be assigned to any person, shall be forthwith advertised in the *Gazette* or any electronic information service that may be prescribed by the Minister, and until notice of the arrangement or transaction is so advertised the arrangement or transaction shall, for the purposes of this Act, be deemed to be of no effect.

10 Advertisement in Gazette of statement of general partner becoming a limited partner and of assignment of share of limited partner

(1) Notice of any arrangement or transaction under which any person will cease to be a general partner in any firm, and will become a limited partner in that firm, or under which the share of a limited partner in a firm will be assigned to any person, shall be forthwith advertised in the *Gazette*, and until notice of the arrangement or transaction is so advertised the arrangement or transaction shall, for the purposes of this Act, be deemed to be of no effect.

(2) For the purposes of this section, the expression "the *Gazette*" means—
In the case of a limited partnership registered in England, the *London Gazette*
In the case of a limited partnership registered in Scotland, the *Edinburgh Gazette*.

In the case of a limited partnership registered in Ireland, the *Dublin Gazette*.

Inspection

26—(1) The Registrar may authorise in writing any public officer to be an inspector for the purposes of this Act.

(2) The Registrar or any inspector shall, for the purposes of ascertaining whether the provisions of this Act are being complied with, have power at all reasonable times to enter into any premises at which he has reason to believe any person is carrying on business and there to make such examination and inquiry as may be necessary for those purposes.

(3) The Registrar and every inspector when exercising any power under this Act shall declare his office and shall produce his authority in writing to any person affected by the exercise of that power.

(4) Any person who fails to comply with a request made by or resists or obstructs the Registrar or an inspector in the performance of his duties under this Act shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

(5) It shall not be an offence for any person to refuse to comply with any request made by the Registrar or an inspector, or to resist or obstruct the Registrar or an inspector in the performance of any of his duties under this Act, if the Registrar or inspector fails to declare his office and to produce his authority in writing.

Inspection

19—(1) The Registrar may authorise in writing any public officer to be an inspector for the purposes of this Act.

(2) The Registrar or any inspector shall, for the purposes of ascertaining whether the provisions of this Act are being complied with, have power at all reasonable times to enter into any premises at which he has reason to believe any person is carrying on business and there to make such examination and inquiry as may be necessary for those purposes.

(3) The Registrar and every inspector when exercising any power under this Act shall declare his office and shall produce his authority in writing to any person affected by the exercise of that power.

(4) Any person who fails to comply with a request made by or resists or obstructs the Registrar or an inspector in the performance of his duties under this Act shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

(5) It shall not be an offence for any person to refuse to comply with any request made by the Registrar or an inspector, or to resist or obstruct the Registrar or an inspector in the performance of any of his duties under this Act, if the Registrar or inspector fails to declare his office and to produce his authority in writing.

[40/99]

Power of Registrar to obtain further information

17.—(1) In order to obtain such information as the Registrar may consider necessary for the purposes of carrying out the provisions of this Act regarding any person the particulars of whom and of his business are required to be registered under this Act, the Registrar may—

- (a) require any person responsible for the management of his business to answer any question in writing which the Registrar may consider necessary to ask for the purposes specified in this subsection; or
 - (b) summon that person to appear before him or an inspector or any other public officer whom the Registrar may designate to answer any such question orally.
- (2) The Registrar may further require the person referred to in subsection (1) to make such further declaration or supply such further particulars as the Registrar may require.

Business carried on by local managers

28.—(1) In any case in which all the general partners of any firm registered under this Act reside outside Singapore, and the business of the firm is carried on in Singapore in the name of the firm by a local manager, the local manager shall be personally responsible for the discharge of all obligations attaching to the firm and its partners under this Act.

(2) In the case of any default in respect of any such obligation referred to in subsection (1), the local manager shall be subject to the same responsibilities, liabilities and penalties as the firm in whose name he carries on the business, or as a partner in the firm, or as a director or secretary of a corporation that is a partner in the firm, as the case may be, and all the penal and other provisions of this Act shall be construed accordingly.

Power of Registrar to obtain further information

20.—(1) In order to obtain such information as the Registrar may consider necessary for the purposes of carrying out the provisions of this Act regarding any person the particulars of whom and of his business are required to be registered under this Act, the Registrar may—

- (a) require any person responsible for the management of his business to answer any question in writing which the Registrar may consider necessary to ask for the purposes specified in this subsection; or
 - (b) summon that person to appear before him or an inspector or any other public officer whom the Registrar may designate to answer any such question orally.
- (2) The Registrar may further require the person referred to in subsection (1) to make such further declaration or supply such further particulars as the Registrar may require.

Business carried on by local managers

21.—(1) In any case in which any individual, or all the partners of any firm, or all the directors and the secretary of any corporation required under this Act to be registered reside outside Singapore, and the business of the individual, firm or corporation is carried on in Singapore in the name of the individual, firm or corporation by a local manager, the local manager shall be personally responsible for the discharge of all obligations attaching to the individual, firm or corporation under this Act.

(2) In the case of any default in respect of any such obligation referred to in subsection (1), the local manager shall be subject to the same responsibilities, liabilities and penalties as the individual in whose name he carries on the business, or as a partner in the firm, or as a director or secretary of the corporation, as the case may be, and all the penal and other provisions of this Act shall be construed accordingly.

Limited Partnerships Act 2002
Restriction on undischarged bankrupt being manager

29.—(1) Any person who, being an undischarged bankrupt, directly or indirectly, takes part in or is concerned in the management of any business carried on by any firm required to be registered under this Act, without the leave of the High Court or the written permission of the Official Assignee, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding 2 years or to both.

(2) On an application by an undischarged bankrupt under subsection (1) to the High Court or the Official Assignee, as the case may be, the High Court or the Official Assignee may refuse the application or approve the application subject to such condition as the High Court or the Official Assignee, as the case may be, may impose.

(3) The leave of the High Court for the purpose of this section shall not be given unless notice of intention to apply therefor has been served on the Official Assignee and the Official Assignee is heard on the application.

Business Registration Act (Cap. 32)
Restriction on undischarged bankrupt being manager

22.—(1) Any person who, being an undischarged bankrupt, directly or indirectly, takes part in or is concerned in the management of any business carried on by any person required to be registered under this Act, without the leave of the High Court or the written permission of the Official Assignee, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding 2 years or to both.

[37/99]
(2) On an application by an undischarged bankrupt under subsection (1) to the High Court or the Official Assignee, as the case may be, the High Court or the Official Assignee may refuse the application or approve the application subject to such condition as the High Court or the Official Assignee, as the case may be, may impose.

[37/99]
(3) The leave of the High Court for the purpose of this section shall not be given unless notice of intention to apply therefor has been served on the Official Assignee and the Official Assignee is heard on the application.

[37/99]

Offences

30. Any person who —

- (a) being a person required to be registered under this Act carries on business without having obtained a certificate of registration or continues to carry on business after the expiry or cancellation of a certificate of registration;
- (b) fails to submit any change of particulars which is required to be submitted to the Registrar under section 16;
- (c) without lawful excuse fails to comply with any summons or requisition of the Registrar under section 27;
- (d) makes any statement or furnishes any information to the Registrar under the provisions of this Act which is false in any material particular or by reason of the omission of any material particular and which he either knows or has reason to believe is false;
- (e) being a person registered under this Act carries on business without exhibiting a valid certificate of registration or a certified copy thereof in a conspicuous place at the principal place of business of the person referred to in the certificate and at every place where that person carries on business; or
- (f) fails to comply with any of the regulations made under this Act,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

Offences

23. Any person who —

- (a) being a person required to be registered under this Act carries on business without having obtained a certificate of registration or continues to carry on business after the expiry or cancellation of a certificate of registration;
- (b) fails to submit any change of particulars which is required to be submitted to the Registrar under section 12;
- (c) without lawful excuse fails to comply with any summons or requisition of the Registrar under section 20;
- (d) makes any statement or furnishes any information to the Registrar under the provisions of this Act which is false in any material particular or by reason of the omission of any material particular and which he either knows or has reason to believe is false;
- (e) being a person registered under this Act carries on business without exhibiting a valid certificate of registration or a certified copy thereof in a conspicuous place at the principal place of business of the person referred to in the certificate and at every place where that person carries on business; or
- (f) fails to comply with any of the regulations made under this Act,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

[40/99]

Evidence of carrying on business under a business name

31. If, in any proceedings for an offence under this Act, proof is given that a business name has been displayed in any premises, and evidence is given from which the court may infer that the business name has reference to any business carried on at the premises, the person or persons carrying on the business shall, in the absence of proof to the contrary, be presumed to be carrying on the business under that business name.

Composition of offences

32.—(1) The Registrar may, in his discretion, compound any such offence under this Act as may be prescribed as being an offence which may be compounded by collecting from a person reasonably suspected of having committed the offence a sum of money not exceeding \$1,000.

(2) On payment of such sum of money, no further proceedings shall be taken against that person in respect of the offence.

(3) The Minister may make regulations to prescribe the offences which may be compounded and the method and procedure by which those offences may be compounded under this section.

Officers and inspectors deemed to be public servants

33. All officers and inspectors appointed under this Act shall be deemed to be public servants within the meaning of the Penal Code (Cap.224).

Destruction of old records

34. The Registrar may destroy or give to the National Archives of Singapore any document lodged, filed or registered with the Registrar and which has been microfilmed or converted to electronic form if in his opinion it is no longer necessary or desirable to retain the document.

Evidence of carrying on business under a business name

23A. If, in any proceedings for an offence under this Act, proof is given that a business name has been displayed in any premises, and evidence is given from which the court may infer that the business name has reference to any business carried on at the premises, the person or persons carrying on the business shall, in the absence of proof to the contrary, be presumed to be carrying on the business under that business name.

[40/99]

Composition of offences

24.—(1) The Registrar may, in his discretion, compound any such offence under this Act as may be prescribed as being an offence which may be compounded by collecting from a person reasonably suspected of having committed the offence a sum of money not exceeding \$1,000.

[40/99]

(2) On payment of such sum of money, no further proceedings shall be taken against that person in respect of the offence.

(3) The Minister may make regulations to prescribe the offences which may be compounded and the method and procedure by which those offences may be compounded under this section.

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25. All officers and inspectors appointed under this Act shall be deemed to be public servants within the meaning of the Penal Code (Cap.224).

Destruction of old records

26. The Registrar may destroy or give to the National Archives of Singapore any document lodged, filed or registered with the Registrar and which has been microfilmed or converted to electronic form if in his opinion it is no longer necessary or desirable to retain the document.

[40/99]

Enforcement of duty to make returns

35.—(1) If any person, having made default in complying with —

- (a) any provision of this Act or of any other law which requires the lodging or filing in any manner with the Registrar of any return, account or other document or the giving of notice to him of any matter; or
- (b) any request of the Registrar to amend or complete and resubmit any document or to submit a fresh document,

fails to make good the default within 14 days after the service on the person of a notice requiring it to be done, a District or Magistrate's Court may, on application by the Registrar, make an order directing that person, or if that person is a corporation any officer thereof, to make good the default within such time as is specified in the order.

(2) Any such order may provide that all the costs of and incidental to the application shall be borne by that person or by any officer of the corporation responsible for the default if that person is a corporation.

(3) Nothing in this section shall limit the operation of any other provision of this Act or any written law imposing penalties on that person including an officer of a corporation if that person is a corporation in respect of any such default referred to in this section.

Enforcement of duty to make returns

27.—(1) If any person, having made default in complying with —

- (a) any provision of this Act or of any other law which requires the lodging or filing in any manner with the Registrar of any return, account or other document or the giving of notice to him of any matter; or
- (b) any request of the Registrar to amend or complete and resubmit any document or to submit a fresh document,

fails to make good the default within 14 days after the service on the person of a notice requiring it to be done, a District or Magistrate's Court may, on application by the Registrar, make an order directing that person, or if that person is a corporation any officer thereof, to make good the default within such time as is specified in the order.

(2) Any such order may provide that all the costs of and incidental to the application shall be borne by that person or by any officer of the corporation responsible for the default if that person is a corporation.

(3) Nothing in this section shall limit the operation of any other provision of this Act or any written law imposing penalties on that person including an officer of a corporation if that person is a corporation in respect of any such default referred to in this section.

Liability of partners, directors, etc.

36.—(1) Where an offence under this Act is committed by a corporation or other body corporate and the offence is proved to have been committed with the consent or connivance of, or to have been facilitated by any neglect on the part of, any director, chairman, manager, secretary or other officer of the corporation or other body corporate, as well as the corporation or body corporate, shall be deemed to be guilty of the offence and shall be liable to be punished accordingly.

(2) Where any agent or employee in the course of his employment does or omits to do any act, the doing of which or omission to do which by his principal or employer would be an offence under this Act that agent or employee shall be guilty of that offence.

(3) Any person who would have been guilty of an offence if anything had been done or omitted to be done by him personally shall be guilty of that offence and shall be liable to the same penalty if that person had been done or omitted to be done by his partner, agent or employee in the course of the partnership business or in the course of his employment, as the case may be, unless he proves to the satisfaction of the court that the offence was committed without his consent and that he took all reasonable precautions to prevent the doing of or omission to do that thing.

(4) In this section —

“director”, “manager” and “officer” have the same meanings as in the Companies Act (Cap.50);

“secretary” means —

(a) in the case of a company incorporated under the Companies Act or under any corresponding previous written law, a secretary appointed under section 171 of that Act;

(b) in the case of a body corporate formed or incorporated outside Singapore or any of its branches or subsidiaries, a person appointed to act in such capacity,

and includes an assistant or a deputy secretary.

(5) This section shall be in addition to and not in derogation of any other provisions of this Act.

Liability of partners, directors, etc.

28.—(1) Where an offence under this Act is committed by a corporation or other body corporate and the offence is proved to have been committed with the consent or connivance of, or to have been facilitated by any neglect on the part of, any director, chairman, manager, secretary or other officer of the corporation or other body corporate, as well as the corporation or body corporate, shall be deemed to be guilty of the offence and shall be liable to be punished accordingly.

(2) Where any agent or employee in the course of his employment does or omits to do any act, the doing of which or omission to do which by his principal or employer would be an offence under this Act that agent or employee shall be guilty of that offence.

(3) Any person who would have been guilty of an offence if anything had been done or omitted to be done by him personally shall be guilty of that offence and shall be liable to the same penalty if that thing had been done or omitted to be done by his partner, agent or employee in the course of the partnership business or in the course of his employment, as the case may be, unless he proves to the satisfaction of the court that the offence was committed without his knowledge or consent and that he took all reasonable precautions to prevent the doing of or omission to do that thing.

(4) In this section —

“director”, “manager” and “officer” have the same meanings as in the Companies Act (Cap.50);

“secretary” means —

(a) in the case of a company incorporated under the Companies Act or under any corresponding previous written law, a secretary appointed under section 171 of that Act;

(b) in the case of a body corporate formed or incorporated outside Singapore or any of its branches or subsidiaries, a person appointed to act in such capacity,

and includes an assistant or a deputy secretary.

[40/99]

(5) This section shall be in addition to and not in derogation of any other provisions of this Act.

Government and its employees not liable to suit

37.—(1) Neither the Registrar nor any public officer or employee of the Government shall be under any liability in respect of any error or inaccuracy in a register or in respect of any error or inaccuracy (whether in the copying or otherwise) in any certificate, certified extract, copy or other document made or issued under this Act and no court shall entertain any suit or other proceedings or damages in respect of any such matter.

(2) Notwithstanding anything to the contrary in any written law, the Government shall not be under any liability or be liable to be sued in respect of any of the matters referred to in subsection (1).

Persons carrying on unlawful business

38.—(1) Nothing in this Act shall be construed to require the Registrar to register a person who carries on any business which is unlawful and in the case of a person registered under this Act who carries on any business which is unlawful the Registrar shall cancel his registration.

(2) Any person aggrieved by the decision of the Registrar under subsection (1) may, within 30 days of the date of the decision, appeal to the Minister whose decision shall be final.

Service of summons, notices, etc.

39.—(1) Any notice, written communication, certificate or other document required to be given or served under the provisions of this Act shall be deemed to have been duly given or served if posted by the Registrar to the registered principal place of business of the person to whom it is addressed.

(2) Every summons issued by a court in connection with any offence under this Act may be served on the person concerned

- (a) by delivering it to him;
- (b) by delivering it to any adult person residing at his last known place of residence; or
- (c) by forwarding it by registered post in a cover addressed to him at his last known place of residence or business or at any address furnished by him.

(3) In proving service by registered post, it shall be sufficient to prove that the cover containing the summons was properly addressed, stamped and posted by registered post.

Government and its employees not liable to suit

29.—(1) Neither the Registrar nor any public officer or employee of the Government shall be under any liability in respect of any error or inaccuracy in a register or in respect of any error or inaccuracy (whether in the copying or otherwise) in any certificate, certified extract, copy or other document made or issued under this Act and no court shall entertain any suit or other proceedings or damages in respect of any such matter.

(2) Notwithstanding anything to the contrary in any written law, the Government shall not be under any liability or be liable to be sued in respect of any of the matters referred to in subsection (1).

Persons carrying on unlawful business

30.—(1) Nothing in this Act shall be construed to require the Registrar to register a person who carries on any business which is unlawful and in the case of a person registered under this Act who carries on any business which is unlawful the Registrar shall cancel his registration.

(2) Any person aggrieved by the decision of the Registrar under subsection (1) may, within 30 days of the date of the decision, appeal to the Minister whose decision shall be final.

[40/99]

Service of summons, notices, etc.

31.—(1) Any notice, written communication, certificate or other document required to be given or served under the provisions of this Act shall be deemed to have been duly given or served if posted by the Registrar to the registered principal place of business of the person to whom it is addressed.

[40/99]

(2) Every summons issued by a court in connection with any offence under this Act may be served on the person concerned —

- (a) by delivering it to him;
- (b) by delivering it to any adult person residing at his last known place of residence; or
- (c) by forwarding it by registered post in a cover addressed to him at his last known place of residence or business or at any address furnished by him.

[40/99]

(3) In proving service by registered post, it shall be sufficient to prove that the cover containing the summons was properly addressed, stamped and posted by registered post.

[40/99]

Limited Partnerships Act 2002

Power to make regulations

40.—(1) The Minister may, from time to time, make regulations for carrying out the purposes of this Act.

(2) Without prejudice to the generality of the powers conferred by subsection (1), such regulations may prescribe —

- (a) the powers and duties of the Registrar;
- (b) the form of registers to be kept and the places at which the registers are to be kept;
- (c) restrictions as to the business name which may be used by a firm registered under this Act;
- (d) the fees to be charged in respect of anything done under or by virtue of this Act;
- (e) the persons or classes of persons who are to be exempted from the payment of any fee or part thereof; and
- (f) the penalties for the late lodgment of documents;

Saving for other written law

41. Nothing in this Act shall be construed as to limit or in any way affect any other written law.

Business Registration Act (Cap. 32)

Power to make regulations

32.—(1) The Minister may from time to time make regulations for carrying out the purposes of this Act.

(2) Without prejudice to the generality of the powers conferred by subsection (1), such regulations may prescribe —

- (a) the powers and duties of the Registrar;
- (b) the form of registers to be kept and the places at which the registers are to be kept;
- (c) restrictions as to the business name which may be used by a person registered under this Act;
- (d) the fees to be charged in respect of anything done under or by virtue of this Act;
- (e) the persons or classes of persons who are to be exempted from the payment of any fee or part thereof; and
- (f) the penalties for the late lodgment of documents.

[40/99]

Saving for other written law

33. Nothing in this Act shall be so construed as to limit or in any way affect any other written law.

Annex D**UK Insolvent Partnerships Order 1994 No. 2421****PART V
MEMBERS' PETITIONS****Winding up of insolvent partnership as unregistered company on member's petition where no concurrent petition presented against member**

9. The following provisions of the Act shall apply in relation to the winding up of an insolvent partnership as an unregistered company on the petition of a member where no insolvency petition is presented by the petitioner against a member of that partnership in his capacity as such —

- (a) sections 117 and 221, modified in such manner that, after modification, they are as set out in Schedule 5 to this Order; and
- (b) the other provisions of Part V of the Act, certain of those provisions being modified in such manner that, after modification, they are as set out in Part I of Schedule 3 to this Order.

Winding up of insolvent partnership as unregistered company on member's petition where concurrent petitions presented against all members

10.—(1) The following provisions of the Act shall apply in relation to the winding up of an insolvent partnership as an unregistered company on a member's petition where insolvency petitions are presented by the petitioner against the partnership and against all its members in their capacity as such —

- (a) sections 117, 124, 125, 221, 264, 265, 271 and 272 of the Act, modified in such manner that, after modification, they are as set out in Schedule 6 to this Order; and
- (b) sections 220, 225 and 227 to 229 in Part V of the Act, section 220 being modified in such manner that, after modification, it is as set out in Part I of Schedule 4 to this Order.

(2) The provisions of the Act specified in paragraph (3) below, insofar as they relate to winding up of companies by the court in England and Wales on a member's petition, shall apply in relation to the winding up of a corporate member (in its capacity as such) of an insolvent partnership which is wound up by virtue of paragraph (1).

(3) The provisions referred to in paragraph (2) are—

- (a) Part IV,
- (b) Part VI,

(c) Part VII, and

(d) Parts XII to XIX.

(4) The provisions of the Act specified in paragraph (5) below, insofar as they relate to the bankruptcy of individuals in England and Wales where a bankruptcy petition is presented by a debtor, shall apply in relation to the bankruptcy of an individual member (in his capacity as such) of an insolvent partnership which is being wound up by virtue of paragraph (1).

(5) The provisions referred to in paragraph (4) are —

(a) Part IX (other than sections 273, 274, 287 and 297), and

(b) Parts X to XIX.

(6) Certain of the provisions referred to in paragraphs (2) and (4) are modified in their application in relation to the corporate or individual members of insolvent partnerships in such manner that, after modification, they are as set out in Part II of Schedule 4 to this Order, save that the provisions on summary administration of a debtor's estate shall apply in relation to the individual members of insolvent partnerships in such manner that, after modification, those provisions are as set out in Schedule 7 to this Order.

Insolvency proceedings not involving winding up of insolvent partnership as unregistered company where individual members present joint bankruptcy petition

11.—(1) The provisions of the Act specified in paragraph (2) below shall apply in relation to the bankruptcy of the individual members of an insolvent partnership where those members jointly present a petition to the court for orders to be made for the bankruptcy of each of them in his capacity as a member of the partnership, and the winding up of the partnership business and administration of its property, without the partnership being wound up as an unregistered company under Part V of the Act.

(2) The provisions referred to in paragraph (1) are —

(a) Part IX (other than sections 273, 274 and 287), and

(b) Parts X to XIX,

insofar as they relate to the insolvency of individuals in England and Wales where a bankruptcy petition is presented by a debtor.

(3) Certain of the provisions referred to in paragraph (1) are modified in their application in relation to the individual members of insolvent partnerships in such manner that, after modification, they are as set out in Schedule 7 to this Order.

SCHEDULE 6

Article 10

**PROVISIONS OF THE ACT WHICH APPLY WITH MODIFICATIONS FOR
THE PURPOSES OF ARTICLE 10 TO WINDING UP OF INSOLVENT
PARTNERSHIP ON MEMBER'S PETITION WHERE CONCURRENT
PETITIONS ARE RESENTED AGAINST ALL THE MEMBERS**

Sections 117 and 265: High Court and county court jurisdiction**1. Sections 117 and 265 are modified so as to read as follows—**

"117.—(1) Subject to the provisions of this section, the High Court has jurisdiction to wind up any insolvent partnership as an unregistered company by virtue of article 10 of the Insolvent Partnerships Order 1994 if the partnership has, or at any time had, a principal place of business in England and Wales.

(2) Subject to the provisions of this section, a petition for the winding up of an insolvent partnership by virtue of the said article 10 may be presented to a county court in England and Wales if the partnership has, or at any time had, a principal place of business within the insolvency district of that court.

(3) Subject to subsection (4) below, the court only has jurisdiction to wind up an insolvent partnership if the business of the partnership has been carried on in England and Wales at any time in the period of 3 years ending with the day on which the petition for winding it up is presented.

(4) If an insolvent partnership has a principal place of business situated in Scotland or in Northern Ireland, the court shall not have jurisdiction to wind up the partnership unless it had a principal place of business in England and Wales —

- (a) in the case of a partnership with a principal place of business in Scotland, at any time in the period of 1 year, or
- (b) in the case of a partnership with a principal place of business in Northern Ireland, at any time in the period of 3 years,

ending with the day on which the petition for winding it up is presented.

(5) Subject to subsection (6) below, the court has jurisdiction to wind up a corporate member, or make a bankruptcy order against an individual

member, of a partnership against which a petition has been presented by virtue of article 10 of the Insolvent Partnerships Order 1994 if it has jurisdiction in respect of the partnership.

(6) Petitions by virtue of the said article 10 for the winding up of an insolvent partnership and the bankruptcy of one or more members of that partnership may not be presented to a district registry of the High Court.

(7) The Lord Chancellor may by order in a statutory instrument exclude a county court from having winding-up jurisdiction, and for the purposes of that jurisdiction may attach its district, or any part thereof, to any other county court, and may by statutory instrument revoke or vary any such order.

In exercising the powers of this section, the Lord Chancellor shall provide that a county court is not to have winding-up jurisdiction unless it has for the time being jurisdiction for the purposes of Parts VIII to XI of this Act (individual insolvency).

(8) Every court in England and Wales having winding-up jurisdiction has for the purpose of that jurisdiction all the powers of the High Court; and every prescribed officer of the court shall perform any duties which an officer of the High Court may discharge by order of a judge of that court or otherwise in relation to winding up." .

Sections 124, 264 and 272: Applications to wind up insolvent partnership and to wind up or bankrupt insolvent members

2. Sections 124, 264 and 272 are modified so as to read as follows —

"124.—(1) An application to the court by a member of an insolvent partnership by virtue of article 10 of the Insolvent Partnerships Order 1994 for the winding up of the partnership as an unregistered company and the winding up or bankruptcy (as the case may be) of all its members shall —

- (a) in the case of the partnership, be by petition in Form 11 in Schedule 9 to that Order,
- (b) in the case of a corporate member, be by petition in Form 12 in that Schedule, and
- (c) in the case of an individual member, be by petition in Form 13 in that Schedule.

(2) Subject to subsection (3) below, a petition under subsection (1)(a) may only be presented by a member of the partnership on the grounds that the partnership is unable to pay its debts and if —

- (a) petitions are at the same time presented by that member for insolvency orders against every member of the partnership (including himself or itself); and
- (b) each member is willing for an insolvency order to be made against him or it and the petition against him or it contains a statement to this effect.

(3) If the court is satisfied, on application by any member of an insolvent partnership that presentation of petitions under subsection (1) against the partnership and every member of it would be impracticable, the court may direct that petitions be presented against the partnership and such member or members of it as are specified by the court.

(4) The petitions mentioned in subsection (1) —

- (a) shall all be presented to the same court and, except as the court otherwise permits or directs, on the same day, and
- (b) except in the case of the petition mentioned in subsection (1)(c) shall be advertised in Form 8 in the said Schedule 9.

(5) Each petition presented under this section shall contain particulars of the other petitions being presented in relation to the partnership, identifying the partnership and members concerned.

(6) The hearing of the petition against the partnership fixed by the court shall be in advance of the hearing of the petitions against the insolvent members.

(7) On the day appointed for the hearing of the petition against the partnership, the petitioner shall, before the commencement of the hearing, hand to the court Form 9 in Schedule 9 to the Insolvent Partnerships Order 1994, duly completed.

(8) Any person against whom a winding-up or bankruptcy petition has been presented in relation to the insolvent partnership is entitled to appear and to be heard on any petition for the winding up of the partnership.

(9) A petitioner under this section may at the hearing withdraw the petition if—

- (a) subject to subsection (10) below, he withdraws at the same time every other petition which he has presented under this section; and
- (b) he gives notice to the court at least 3 days before the date appointed for the hearing of the relevant petition of his intention to withdraw the petition.

(10) A petitioner need not comply with the provisions of subsection (9)(a) in the case of a petition against a member, if the court is satisfied on application made to it by the petitioner that, because of difficulties in serving the petition or for any other reason, the continuance of that petition would be likely to prejudice or delay the proceedings on the petition which he has presented against the partnership or on any petition which he has presented against any other insolvent member."

Sections 125 and 271: Powers of court on hearing of petitions against insolvent partnership and members

3. Sections 125 and 271 are modified so as to read as follows—

"125.—(1) Subject to the provisions of section 125A, on hearing a petition under section 124 against an insolvent partnership or any of its insolvent members, the court may dismiss it, or adjourn the hearing conditionally or unconditionally or make any other order that it thinks fit; but the court shall not refuse to make a winding-up order against the partnership or a corporate member on the ground only that the partnership property or (as the case may be) the member's assets have been mortgaged to an amount equal to or in excess of that property or those assets, or that the partnership has no property or the member no assets.

(2) An order under subsection (1) in respect of an insolvent partnership may contain directions as to the future conduct of any insolvency proceedings in existence against any insolvent member in respect of whom an insolvency order has been made.

Hearing of petitions against members

125A.—(1) On the hearing of a petition against an insolvent member the petitioner shall draw the court's attention to the result of the hearing of the

winding-up petition against the partnership and the following subsections of this section shall apply.

(2) If the court has neither made a winding-up order, nor dismissed the winding-up petition, against the partnership the court may adjourn the hearing of the petition against the member until either event has occurred.

(3) Subject to subsection (4) below, if a winding-up order has been made against the partnership, the court may make a winding-up order against the corporate member in respect of which, or (as the case may be) a bankruptcy order against the individual member in respect of whom, the insolvency petition was presented.

(4) If no insolvency order is made under subsection (3) against any member within 28 days of the making of the winding-up order against the partnership, the proceedings against the partnership shall be conducted as if the winding-up petition against the partnership had been presented by virtue of article 7 of the Insolvent Partnerships Order 1994, and the proceedings against any member shall be conducted under this Act without the modifications made by that Order (other than the modifications made to sections 168 and 303 by article 14).

(5) If the court has dismissed the winding-up petition against the partnership, the court may dismiss the winding-up petition against the corporate member or (as the case may be) the bankruptcy petition against the individual member. However, if an insolvency order is made against a member, the proceedings against that member shall be conducted under this Act without the modification made by the Insolvent Partnerships Order 1994 (other than the modifications made to sections 168 and 303 of this Act by article 14 of that Order).

(6) The court may dismiss a petition against an insolvent member if it considers it just to do so because of a change in circumstances since the making of the winding-up order against the partnership.

(7) The court may dismiss a petition against an insolvent member who is a limited partner, if —

- (a) the member lodges in court for the benefit of the creditors of the partnership sufficient money or security to the court's satisfaction to meet his liability for the debts and obligations of the partnership; or

- (b) the member satisfies the court that he is no longer under any liability in respect of the debts and obligations of the partnership."

Section 221: Winding up of unregistered companies

4. Section 221 is modified so as to read as follows —

"221.—(1) Subject to subsections (2) and (3) below and to the provisions of this Part, any insolvent partnership which has, or at any time had, a principal place of business in England and Wales may be wound up under this Act.

(2) Subject to subsection (3) below, an insolvent partnership shall not be wound up under this Act if the business of the partnership has not been carried on in England and Wales at any time in the period of 3 years ending with the day on which the winding-up petition is presented.

(3) If an insolvent partnership has a principal place of business situated in Scotland or in Northern Ireland, the court shall not have jurisdiction to wind up the partnership unless it had a principal place of business in England and Wales —

- (a) in the case of a partnership with a principal place of business in Scotland, at any time in the period of 1 year, or
- (b) in the case of a partnership with a principal place of business in Northern Ireland, at any time in the period of 3 years,

ending with the day on which the winding-up petition is presented.

(4) No insolvent partnership shall be wound up under this Act voluntarily.

(5) To the extent that they are applicable to the winding up of a company by the court in England and Wales on a member's petition, all the provisions of this Act and the Companies Act about winding up apply to the winding up of an insolvent partnership as an unregistered company —

- (a) with the exceptions and additions mentioned in the following subsections of this section, and
- (b) with the modifications specified in Part II of Schedule 4 to the Insolvent Partnerships Order 1994.

(6) Sections 73(1), 74(2)(a) to (d) and (3), 75 to 78, 83, 124(2) and (3), 154, 202, 203, 205 and 250 shall not apply.

(7) Unless the contrary intention appears, the members of the partnership against whom insolvency orders are made by virtue of article 10 of the Insolvent Partnerships Order 1994 shall not be treated as contributories for the purposes of this Act.

(8) The circumstances in which an insolvent partnership may be wound up as an unregistered company are that the partnership is unable to pay its debts.

(9) Every petition for the winding up of an insolvent partnership under Part V of this Act shall be verified by affidavit in Form 2 in Schedule 9 to the Insolvent Partnerships Order 1994."

SCHEDULE 7

Article 11

PROVISIONS OF THE ACT WHICH APPLY WITH MODIFICATIONS FOR THE PURPOSES OF ARTICLE 11 WHERE JOINT BANKRUPTCY PETITION PRESENTED BY INDIVIDUAL MEMBERS WITHOUT WINDING UP PARTNERSHIP AS UNREGISTERED COMPANY

1.—(1) The provisions of the Act specified in sub-paragraph (2) below, are set out as modified in this Schedule.

(2) The provisions referred to in sub-paragraph (1) above are sections 264 to 266, 272, 275, 283, 284, 290, 292 to 301, 305, 312, 328, 331 and 387.

Section 264: Presentation of joint bankruptcy petition

2. Section 264 is modified so as to read as follows —

"264.—(1) Subject to section 266(1) below, a joint bankruptcy petition may be presented to the court by virtue of article 11 of the Insolvent Partnerships Order 1994 by all the members of an insolvent partnership in their capacity as such provided that all the members are individuals and none of them is a limited partner.

(2) A petition may not be presented under paragraph (1) by the members of an insolvent partnership which is an authorised institution or former authorised institution within the meaning of the Banking Act 1987.

(3) The petition —

(a) shall be in Form 14 in Schedule 9 to the Insolvent Partnerships Order 1994; and

(b) shall contain a request that the trustee shall wind up the partnership business and administer the partnership property without the partnership being wound up as an unregistered company under Part V of this Act.

(4) The petition shall either —

(a) be accompanied by an affidavit in Form 15 in Schedule 9 to the Insolvent Partnerships Order 1994 made by the member who signs the petition, showing that all the members are individual members (and that none of them is a limited partner) and concur in the presentation of the petition, or

(b) contain a statement that all the members are individual members and be signed by all the members.

(5) On presentation of a petition under this section, the court may make orders in Form 16 in Schedule 9 to the Insolvent Partnerships Order 1994 for the bankruptcy of the members and the winding up of the partnership business and administration of its property."

Annex E**UK Income and Corporation Taxes Act 1988**

CHAPTER VII

PARTNERSHIPS AND SUCCESSIONS

*General***[111 Treatment of partnerships]**

(1) Where a trade or profession is carried on by persons in partnership, the partnership shall not, unless the contrary intention appears, be treated for the purposes of the Tax Acts as an entity which is separate and distinct from those persons.

(2) So long as a trade or profession is carried on by persons in partnership, and any of those persons is chargeable to income tax, the profits or gains or losses arising from the trade or profession (“the actual trade or profession”) shall be computed for the purposes of income tax in like manner as if —

- (a) the partnership were an individual; and
- (b) that individual were an individual resident in the United Kingdom.

(3) A person's share in the profits or gains or losses arising from the actual trade or profession which for any period are computed in accordance with subsection (2) above shall be determined according to the interests of the partners during that period.

(4) Where a person's share in any profits or gains or losses is determined in accordance with subsection (3) above, sections 60 to 63A shall apply as if —

- (a) that share of the profits or gains or losses derived from a trade or profession carried on by him alone;
- (b) that trade or profession (“the deemed trade or profession”) had been set up and commenced by him at the time when he became a partner or, where the actual trade or profession was previously carried on by him alone, the time when the actual trade or profession was set up and commenced;
- (c) as regards each year of assessment, any accounting date or accounting change of the actual trade or profession were also an accounting date or accounting change of the deemed trade or profession;
- (d) subsection (2) of section 62 applied in relation to any accounting change of the deemed trade or profession if, and only if, on the assumption that the partnership were an individual, that subsection would apply in

relation to the corresponding accounting change of the actual trade or profession; and

- (e) the deemed trade or profession were permanently discontinued by him at the time when he ceases to be a partner or, where the actual trade or profession is subsequently carried on by him alone, the time when the actual trade or profession is permanently discontinued.

(5) Where section 62(2) does not apply in relation to any accounting change of the deemed trade or profession which is made or treated as made in the year of assessment next following or next but one following the commencement year, sections 60(3)(a) and 61(2)(a) shall apply as if the old date in that year were the accounting date.

(6) For the purpose of determining whether, on the assumption that the partnership were an individual, section 62(2) would apply in relation to an accounting change of the actual trade or profession —

- (a) a notice may be given under subsection (3) of section 62A; and
- (b) an appeal may be brought under subsection (6) of that section,

by such one of the partners as may be nominated by them for the purposes of this subsection.

(7) Where —

- (a) subsections (2) and (3) above apply in relation to the profits or gains or losses of a trade or profession carried on by persons in partnership, and
- (b) other income or other relieviable losses accrue to those persons by virtue of their being partners,

those subsections shall apply as if references to the profits or gains or losses arising from the trade or profession included references to that other income or those other relieviable losses.

(8) Where a person's share in any untaxed income from one or more sources, or in any relieviable losses, is determined in accordance with subsection (3) as applied by subsection (7) above, sections 60 to 63A shall apply as if —

- (a) that share of that income or of those losses were profits or gains or losses of a trade or profession carried on by that person alone;
- (b) that trade or profession ("the second deemed trade or profession") had been set up and commenced by him at the time when he became a partner;
- (c) paragraphs (c) and (d) of subsection (4) and subsection (5) above applied in relation to the second deemed trade or profession as they apply in relation to the other deemed trade or profession;

- (d) the second deemed trade or profession were permanently discontinued by him at the time when he ceases to be a partner; and
- (e) each source of the income were treated as continuing until the second deemed trade or profession is treated as permanently discontinued.

(9) Where —

- (a) the basis period for any year of assessment is given by section 62(2)(b) in the case of a person's second deemed trade or profession, or such a trade or profession is treated as permanently discontinued in any year of assessment; and
- (b) the amount falling to be deducted under subsection (1) or (3) of section 63A exceeds that person's share, as determined in accordance with subsection (3) as applied by subsection (7) above, in any untaxed income,

the amount of the excess shall be deducted in computing that person's income for that year.

(10) Subsections (1) to (3) above apply in relation to persons in partnership by whom a business which is not a trade or profession is carried on as they apply in relation to persons in partnership by whom a trade or profession is carried on.

(11) In subsections (2) and (3) above as applied by subsection (10) above, references to the profits or gains or losses arising from the trade or profession shall have effect as references to any income or relievable losses arising from the business.

(12) In this section —

“accounting change” and “the old date” have the meanings given by section 62(1);

“accounting date” has the meaning given by section 60(5);

“the commencement year”, in relation to the deemed trade or profession or the second deemed trade or profession, means the year of assessment in which that trade or profession is deemed to have been set up and commenced;

“income” means any income (whether or not chargeable under Schedule D);

“untaxed income” means income which is not —

- (a) income from which income tax has been deducted;
- (b) income from or on which income tax is treated as having been deducted or paid; or
- (c) income chargeable under Schedule F.

(13) In this section —

- (a) any reference to sections 60 to 63A includes a reference to those sections as applied in relation to losses by section 382(3) and (4) and section 385(1); and
- (b) any reference to a person becoming or ceasing to be a partner is a reference to his beginning or, as the case may be, ceasing to carry on the actual trade or profession in partnership with other persons.]

112 Partnerships controlled abroad

[(1) So long as a trade, profession or business is carried on by persons in partnership and any of those persons is not resident in the United Kingdom, section 111 shall have effect for the purposes of income tax in relation to the partner who is not so resident as if—

- (a) the reference in subsection (2)(b) to an individual resident in the United Kingdom were a reference to an individual who is not so resident; and
- (b) in subsection (4)(a), after “carried on” there were inserted “in the United Kingdom”.

(1A) Where —

- (a) any persons are carrying on a trade, profession or business in partnership,
- (b) the trade, profession or business is carried on wholly or partly outside the United Kingdom,
- (c) the control and management of the trade, profession or business is situated outside the United Kingdom, and
- (d) any of the partners who is an individual resident in the United Kingdom satisfies the Board that he is not domiciled in the United Kingdom or that, being a Commonwealth citizen or a citizen of the Republic of Ireland, he is not ordinarily resident in the United Kingdom,

section 111 shall have effect in accordance with subsection (1) above as if that partner were not resident in the United Kingdom and, in addition (as respects that partner as an individual who is in fact resident in the United Kingdom), his interest as a partner, so far as it entitles him to a share of any profits or gains arising from the carrying on of the trade, profession or business otherwise than within the United Kingdom, shall be treated for the purposes of Case V of Schedule D as if it were a possession outside the United Kingdom.

(1B) Where any persons are carrying on a trade or profession in partnership, the trade or profession is carried on wholly or partly outside the United Kingdom and an individual who is one of the partners changes his residence (within the meaning of section 110A), it shall be assumed for income tax purposes —

- (a) that that individual ceased to be a partner at the time of the change and became one again immediately afterwards; and
- (b) in relation to matters arising after the change, that the time when he became a partner is the time immediately after the change,

but nothing in this subsection shall, in relation to that individual, prevent any portion of a loss sustained before the change from being carried forward under section 385 and set against profits or gains arising or accruing after the change.]

(4) In any case where —

- (a) a person resident in the United Kingdom (in this subsection and subsection (5) below referred to as "the resident partner") is a member of a partnership which resides [outside the United Kingdom or which carries on any trade, profession or business the control and management of which is situated outside the United Kingdom]; and
- (b) by virtue of any arrangements falling within section 788 any of the income or capital gains of the partnership is relieved from tax in the United Kingdom,

the arrangements referred to in paragraph (b) above shall not affect any liability to tax in respect of the resident partner's share of any income or capital gains of the partnership.

(5) If, in a case where subsection (4) above applies, the resident partner's share of the income of the partnership consists of or includes a share in a qualifying distribution made by a company resident in the United Kingdom, then, notwithstanding anything in the arrangements, the resident partner (and not the partnership as a whole) shall be regarded as entitled to that share of the tax credit in respect of the distribution which corresponds to his share of the distribution.

(6) Section 115(5) has effect as respects the application of [subsections (4) and (5) above] where the partners in a partnership include a company.

113 Effect, for income tax, of change in ownership of trade, profession or vocation

(1) Where there is a change in the persons engaged in carrying on any trade, profession or vocation chargeable under Case I or II of Schedule D, then, subject to the provisions of this section *and of section 114(3)(b)*, the amount of the profits or gains of the trade, profession or vocation on which income tax is chargeable for any year of assessment and the persons on whom it is chargeable, shall be determined as if the trade, profession or vocation had been permanently discontinued, and a new one set up and commenced, at the date of the change.

[(2) Where —

- (a) there is such a change as is mentioned in subsection (1) above, and
- (b) a person engaged in carrying on the trade, profession or vocation immediately before the change continues to be so engaged immediately after it,

subsection (1) above shall not apply to treat the trade, profession or vocation as discontinued or a new one as set up and commenced.]

(3) Where there is in any year of assessment a change in the persons engaged in carrying on a trade, profession or vocation, and subsection (1) above does not apply by reason of a notice under subsection (2) above, then—

- (a) income tax in respect of the trade, profession or vocation for that year shall be assessed and charged separately on those so engaged before the change and on those so engaged after the change, but the amount on which tax is chargeable shall be computed as if there had been no such change in that year, and shall be apportioned as may be just; and*
- (b) if, after the change but before the end of the second year of assessment following that in which the change occurred, there is a permanent discontinuance of the trade, profession or vocation (including a change treated as such), then, on that discontinuance, section 63 shall apply, as respects any period before the first-mentioned change, to the persons charged or chargeable for that period as it would apply if no such change had taken place and they had been charged to tax accordingly for the subsequent period up to the discontinuance.*

(4) There shall be made any such assessment, reduction of an assessment or, on the making of a claim therefor, repayment of income tax as may in any case be necessary for giving effect to this section.

(5) Any question which arises as to the manner in which any sum is to be apportioned under subsection (3)(a) above shall be determined, for the purposes of the tax of all of the persons as respects whose liability to tax the apportionment is material —

- (a) in a case where the same body of General Commissioners have jurisdiction with respect to all those persons, by those Commissioners, unless all those persons agree that it shall be determined by the Special Commissioners;*
- (b) in a case where different bodies of Commissioners have jurisdiction with respect to those persons, by such of those bodies as the Board may direct, unless all those persons agree that it shall be determined by the Special Commissioners; and*

(c) in any other case, by the Special Commissioners,

and any such Commissioners shall determine the question in like manner as an appeal, except that all those persons shall be entitled to appear and be heard by the Commissioners who are to make the determination, or to make representations to them in writing.

(6) In the case of the death of a person who, if he had not died, would under the provisions of this section have become chargeable to tax for any year, the tax which would have been so chargeable shall be assessed and charged upon his executors or administrators, and shall be a debt due from and payable out of his estate; *and where under those provisions an election may be made by any person, it may in the case of his death be made by his executors or administrators instead of by him.*

(7) For the purposes of this section, a change in the personal representatives of any person, or in the trustees of any trust, shall not be treated as a change in the persons engaged in the carrying on any trade, profession or vocation carried on by those personal representatives or trustees as such.

Partnerships Involving Companies

114 Special rules for computing profits and losses

(1) So long as a trade [profession or business] is carried on by persons in partnership, and any of those persons is a company, the profits and losses (including terminal losses) of the trade [profession or business] shall be computed for the purposes of corporation tax in like manner, and by reference to the like accounting periods, as if the partnership were a company [and, subject to section 115(4), as if that company were resident in the United Kingdom], and without regard to any change in the persons carrying on the trade [profession or business], except that —

- (a) references to distributions shall not apply; and
- (b) subject to section 116(5), no deduction or addition shall be made for charges on income, or for capital allowances and charges, nor in any accounting period for losses incurred in any other period nor for any expenditure to which section 401(1) applies; and
- (c) a change in the persons engaged in carrying on the trade [profession or business] shall be treated as the transfer of the trade [profession or business] to a different company if there continues to be a company so engaged after the change, but not a company that was so engaged before the change.

(2) A company's share in the profits or loss of any accounting period of the partnership, or in any matter excluded from the computation by subsection (1)(b)

above, shall be determined according to the interests of the partners during that period, and corporation tax shall be chargeable as if that share derived from a trade [profession or business] carried on by the company alone in its corresponding accounting period or periods; and the company shall be assessed and charged to tax for its corresponding accounting period or periods accordingly.

In this subsection "corresponding accounting period or periods" means the accounting period or periods of the company comprising or together comprising the accounting period of the partnership, and any necessary apportionment shall be made between corresponding accounting periods if more than one.

(3) Where any of the persons engaged in carrying on the trade is an individual, income tax shall be chargeable in respect of his share of the profits, and he shall be entitled to relief for his share of any loss, as if all the partners had been individuals except that —

(a) income tax shall be chargeable, and any relief from income tax shall be given, by reference to the computations made for corporation tax, but so that the amounts so computed for an accounting period of the capital allowances and charges falling to be made in taxing the trade shall (as regards the individual's share of them) be given or made for the year or years of assessment comprising that period and, where necessary, apportioned accordingly; and

(b) section 113 shall not apply by reason of any change in the persons engaged in carrying on the trade unless an individual begins or ceases to be so engaged, and, where it does apply, an election under subsection (2) of that section shall be made only by the individuals so engaged, and only if an individual so engaged before the change continues to be so engaged after it;

(c)

(4) Section 111 shall apply to income tax chargeable in accordance with this section, matters relevant only to corporation tax being omitted from the assessment.

115 Provisions supplementary to section 114

(1) Subsections (2) and (3) below have effect as respects income tax chargeable in accordance with section 114 for any year of assessment throughout all or any part of which one or more of the persons engaged in carrying on the trade is an individual.

(2) Notwithstanding any difference between the partners' interests during the basis period and their interests during the year of assessment, the amount of the individual's income from the partnership for the year of assessment, or the total of the amounts of the individuals' incomes from the partnership for that year, shall be

deemed to be not less than the profits of the basis period, reduced, where any share was apportioned to a company under section 114(2), by the amount of that company's share.

(3) Where there are two or more individuals and, but for subsection (2) above, the total of the amounts of the individuals' incomes from the partnership for the year would fall short of the profits of the basis period reduced, where any share was apportioned to a company under section 114(2), by the amount of that company's share, that amount shall be apportioned —

(a) according to the individuals' interests during the year of assessment, disregarding any company's interest; and

(b) in so far as that does not determine, or fully determine, the apportionment, between the individuals in equal shares.

[(4) So long as a trade, profession or business is carried on by persons in partnership and any of those persons is a company which is not resident in the United Kingdom, section 114 shall have effect in relation to that company as if—

(a) the reference in subsection (1) to a company resident in the United Kingdom were a reference to a company that is not so resident; and

(b) in subsection (2), after “carried on” there were inserted “in the United Kingdom through a branch or agency”.

(5) Where the partners in a partnership include a company, subsections (4) and (5) of section 112 shall apply for the purposes of corporation tax as well as for the purposes of income tax, and section 114 shall have effect accordingly.]

(6) In this section and section 114 —

"basis period", in relation to a year of assessment, means any accounting period or part of an accounting period which is, or forms part of, the period on the profits or gains of which income tax for the year of assessment in question falls to be computed under Schedule D in respect of the trade;

"capital allowances and charges" means any allowances or charges under any of the Capital Allowances Acts, not being allowances or charges which, for income tax, are given or made by deduction or addition in the computation of profits or gains;

and references in subsection (1) above to an individual's income from the partnership are references to that income before deduction of capital allowances or charges on income.

(7) For the purposes of *this section and section 114* "profits" shall not be taken as including chargeable gains.

116 Arrangements for transferring relief

(1) The provisions of subsection (2) below shall apply in relation to a company ("the partner company") which is a member of a partnership carrying on a trade if arrangements are in existence (whether as part of the terms of the partnership or otherwise) whereby—

- (a) in respect of the whole or any part of the value of, or of any portion of, the partner company's share in the profits or loss of any accounting period of the partnership, another member of the partnership or any person connected with another member of the partnership receives any payment or acquires or enjoys, directly or indirectly, any other benefit in money's worth; or
- (b) in respect of the whole or any part of the cost of, or of any portion of, the partner company's share in the loss of any accounting period of the partnership, the partner company or any person connected with that company receives any payment or acquires or enjoys, directly or indirectly, any other benefit in money's worth, other than a payment in respect of group relief to the partner company by a company which is a member of the same group as the partner company for the purposes of group relief.

(2) In any case where the provisions of this subsection apply in relation to the partner company —

- (a) the company's share in the loss of the relevant accounting period of the partnership and its share in any charges on income, within the meaning of section 338, paid by the partnership in that accounting period shall not be available for set-off for the purposes of corporation tax except against its share in the profits of the trade carried on by the partnership; and
- (b) except in accordance with paragraph (a) above, no trading losses shall be available for set-off for the purposes of corporation tax against the company's share in the profits of the relevant accounting period of the partnership; and
- (c) except in accordance with paragraphs (a) and (b) above, no amount which, apart from this subsection, would be available for relief against profits shall be available for set-off for the purposes of corporation tax against so much of the company's total profits as consists of its share in the profits of the relevant accounting period of the partnership; and
- (d) notwithstanding anything in section 239, no advance corporation tax may be set against the company's liability to corporation tax on its share in the profits of the relevant accounting period of the partnership.

(3) In subsection (2) above "relevant accounting period of the partnership" means any accounting period of the partnership in which any such arrangements as are specified in subsection (1) above are in existence or to which any such arrangements apply.

(4) If a company is a member of a partnership and tax in respect of any profits of the partnership is chargeable under Case VI of Schedule D, this section shall apply in relation to the company's share in the profits or loss of the partnership as if —

- (a) the profits or loss to which the company's share is attributable were the profits of, or the loss incurred in, a trade carried on by the partnership; and
- (b) any allowance which falls to be made under section [61(1) of the 1990 Act] (machinery and plant on lease) were an allowance made in taxing that trade.

(5) For the purposes of this section, subsection (2) of section 114 shall have effect for determining a company's share in the profits or loss of any accounting period of a partnership as if, in subsection (1)(b) of that section, the words "or for capital allowances and charges" were omitted.

(6) In this section "arrangements" means arrangements of any kind whether in writing or not.

(7) Section 839 shall apply for the purposes of this section.

Limited Partners

117 Restriction on relief: individuals

(1) An amount which may be given or allowed to an individual under section 353, 380 or 381 below or section [141 of the 1990 Act] —

- (a) in respect of a loss sustained by him in a trade, or of interest paid by him in connection with the carrying on of a trade, in a relevant year of assessment; or
- (b) as an allowance falling to be made to him for a relevant year of assessment either in taxing a trade or by way of discharge or repayment of tax to which he is entitled by reason of his participation in a trade,

may be given or allowed otherwise than against income consisting of profits or gains arising from the trade only to the extent that the amount given or allowed or (as the case may be) the aggregate amount does not exceed the relevant sum.

(2) In this section —

"limited partner" means —

- (i) a person who is carrying on a trade as a limited partner in a limited partnership registered under the Limited Partnership Act 1907;
- (ii) a person who is carrying on a trade as a general partner in a partnership, who is not entitled to take part in the management of the trade and who is entitled to have his liabilities, or his liabilities beyond a certain limit, for debts or obligations incurred for the purposes of the trade discharged or reimbursed by some other person;
or
- (iii) a person who carries on a trade jointly with others and who, under the law of any territory outside the United Kingdom, is not entitled to take part in the management of the trade and is not liable beyond a certain limit for debts or obligations incurred for the purposes of the trade;

"relevant year of assessment" means a year of assessment at any time during which the individual carried on the trade as a limited partner;

"the aggregate amount" means the aggregate of any amounts given or allowed to him at any time under section 353, 380 or 381 below or section [141 of the 1990 Act] —

- (a) in respect of a loss sustained by him in the trade, or of interest paid by him in connection with carrying it on, in a relevant year of assessment; or
- (b) as an allowance falling to be made to him for a relevant year of assessment either in taxing the trade or by way of discharge or repayment of tax to which he is entitled by reason of his participation in the trade;

"the relevant sum" means the amount of his contribution to the trade as at the appropriate time; and

"the appropriate time" is the end of the relevant year of assessment in which the loss is sustained or the interest paid or for which the allowance falls to be made (except that where he ceased to carry on the trade during that year of assessment it is the time when he so ceased).

(3) A person's contribution to a trade at any time is the aggregate of —

- (a) the amount which he has contributed to it as capital and has not, directly or indirectly, drawn out or received back (other than anything which he is or may be entitled so to draw out or receive back at any time when he carries on the trade as a limited partner or which he is or may be entitled to require another person to reimburse to him), and
- (b) the amount of any profits or gains of the trade to which he is entitled but which he has not received in money or money's worth.

(4) To the extent that an allowance is taken into account in computing profits or gains or losses in the year of the loss by virtue of section 383(1) it shall, for the purposes of this section, be treated as falling to be made in the year of the loss (and not the year of assessment for which the year of loss is the basis year).

118 Restriction on relief: companies

(1) An amount which may be given or allowed under section 338, [393A(1)] or 403(1) to (3) and (7) below or section [145 of the 1990 Act] —

- (a) in respect of a loss incurred by a company in a trade, or of charges paid by a company in connection with the carrying on of a trade, in a relevant accounting period; or
- (b) as an allowance falling to be made to a company for a relevant accounting period either in taxing a trade or by way of discharge or repayment of tax to which it is entitled by reason of its participation in a trade,

may be given or allowed to that company ("the partner company") otherwise than against profits or gains arising from the trade, or to another company, only to the extent that the amount given or allowed or (as the case may be) the aggregate amount does not exceed the relevant sum.

(2) In this section —

"relevant accounting period" means an accounting period of the partner company at any time during which it carried on the trade as a limited partner (within the meaning of section 117(2));

"the aggregate amount" means the aggregate of any amounts given or allowed to the partner company or another company at any time under section 338, [393A(1)] or 403(1) to (3) and (7) below or section [145 of the 1990 Act] —

- (a) in respect of a loss incurred by the partner company in the trade, or of charges paid by it in connection with carrying it on, in any relevant accounting period; or
- (b) as an allowance falling to be made to the partner company for any relevant accounting period either in taxing the trade or by way of discharge or repayment of tax to which it is entitled by reason of its participation in the trade;

"the relevant sum" means the amount of the partner company's contribution (within the meaning of section 117(3)) to the trade as at the appropriate time; and

"the appropriate time" is the end of the relevant accounting period in which the loss is incurred or the charges paid or for which the allowance falls to

be made (except that where the partner company ceased to carry on the trade during that accounting period it is the time when it so ceased).