

PARTNERSHIP ACT

CHAPTER 78:02

**Act
1 of 1888**

Current Authorised Pages

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**Note
on
Subsidiary Legislation**

This Chapter contains no Subsidiary Legislation.

CHAPTER 78:02

PARTNERSHIP ACT

AN ACT relating to partnership.

1961 Ed.
Cap. 323.
1 of 1888.

[31st December 1888]

Commencement.

1. This Act may be cited as the --

Short title.

PARTNERSHIP ACT.

2. In this Act the word "person" includes a partnership firm, joint stock company and a corporation.

Interpretation.

3. The advance of money by way of loan to a person engaged or about to engage in any trade or undertaking, upon a contract in writing with the person that the lender shall receive a rate of interest varying with the profits, or shall receive a share of the profits arising from carrying on the trade or undertaking, shall not, of itself, constitute the lender a partner with the person or persons carrying on the trade or undertaking or render him responsible as such.

Advance of money on contract to receive a share of profits not to constitute the lender a partner.

4. No contract for the remuneration of a servant or agent of any person engaged in any trade or undertaking by a share of the profits of the trade or undertaking shall, of itself, render the servant or agent responsible as a partner therein, or give him the rights of a partner.

Remuneration of agents, etc., by shares of profits not to make them partners.

5. No person being the widow or child of the deceased partner of a trader, and receiving by way of annuity a portion of the profits made by the trader in his business, shall, by reason only of the receipt, be deemed to be a partner of, or to be subject to any liabilities incurred by, the trader.

Certain annuitants not to be deemed partners.

6. No person receiving, by way of annuity or otherwise, a portion of the profits of any business, in consideration of the sale by him of the goodwill of the business, shall by reason only of the receipt be deemed to be a partner of, or be subject to the liabilities of, the person carrying on the business.

Receipt of profits in consideration of sale of goodwill not to make the seller a partner.

In case of
bankruptcy, etc.,
lender not to rank
with other
creditors.

7. In the event of any such trader as aforesaid being adjudged a bankrupt, or taking the benefit of any Act for the relief of insolvent debtors, or entering into an arrangement to pay his creditors less than one hundred cents in the dollar, or dying in insolvent circumstances, the lender of the loan as aforesaid shall not be entitled to recover any portion of his principal, or of the profits or interest payable in respect of the loan, nor shall any such vendor of a goodwill as aforesaid be entitled to recover any such profits as aforesaid, until the claims of the creditors of the said trader for valuable consideration in money or money's worth have been satisfied.
