

Acts of the General Assembly of Her Majesty's Province of New-Brunswick passed in the year 1850. Fredericton, NB: John Simpson, Printer to the Queen's Most Excellent Majesty, 1850.

13 Victoria – Chapter 55

An Act to authorize limited Partnerships in this Province. Passed 26th April 1850.

I. Be it enacted by the Lieutenant Governor, Legislative Council and Assembly, That limited Partnerships for the transaction of mercantile, mechanical or manufacturing business within this Province, may be formed by two or more persons upon the terms and subject to the conditions and liabilities prescribed in this Act; but nothing herein contained shall authorize such Partnerships for the purpose of Banking or Insurance.

II. And be it enacted, That the said Partnerships may consist of one or more persons who shall be called general Partners, and shall be jointly and severally responsible as general Partners now are by law; and if one or more persons who shall contribute to the common stock a specific sum in actual cash payments as capital, and who shall be called special Partners, and shall not be personally liable for any debts of the Partnership except in the cases hereinafter mentioned.

III. And be it enacted, That the persons forming such Partnerships shall make and severally sign a certificate, which shall contain the name or firm under which said Partnership is to be conducted, the names and respective places of residence of all the general and special Partners, distinguishing who are general and who are special Partners, the amount of capital which each special Partner has contributed to the common stock, the general nature of the business to be transacted, and the time when the Partnership is to commence, and when it is to terminate.

IV. And be it enacted, That no such Partnership shall be deemed to have been formed until a certificate made as aforesaid shall be acknowledged by all the Partners, before some Justice of the Peace, and recorded in the Registry of Deeds of the County in which the principal place of the business of the Partnership is situated, in a book to be kept for that purpose open to public inspection; and if the Partnership shall have places of business situated in different Counties, a copy of the certificate, certified by the Register of Deeds in whose office it shall be recorded, shall be filed and recorded in like manner in the office of the Register of Deeds in every such County; and if any false statement shall be made in any such certificate, all the persons interested in the Partnership shall be liable as general Partners for all the engagements thereof.

V. And be it enacted, That the Partners shall for three months immediately after such registry publish a copy of the certificate above mentioned in a newspaper published in the Town or County where their principal place of business is situated; and if no such paper be there published, then in the Royal Gazette; and in case such publication be not so made, the Partnership shall be deemed general.

VI. And be it enacted, That upon every renewal or continuation of a limited Partnership, beyond the time originally agreed upon for its duration, a certificate thereof shall be made, acknowledged,

recorded and published in the like manner as is hereinbefore provided for the original formation of limited Partnerships; and every such Partnership which shall not be renewed in conformity with the provisions of this section, shall be deemed a general Partnership.

VII. And be it enacted, That the business of the Partnership shall be conducted under a firm in which the names of the general Partners only shall be inserted, without the addition of the word Company or any other general term; and the general Partners only shall transact the business; and if the name of any special Partner shall be used in such firm with his consent or privity, or if he shall personally make any contract respecting the concerns of the Partnership, with any person except the general Partners, he shall be deemed and treated as a general Partner.

VIII. And be it enacted, That during the continuance of any Partnership under the provisions of this Act, no part of the capital stock thereof shall be withdrawn, nor any division of interest or profits be made, so as to reduce such capital stock below the sum stated in the certificates before mentioned; and if at any time during the continuance, or at the termination of the Partnership, the property or assets shall not be sufficient to pay the Partnership debts, then the special Partners shall severally be held responsible for all sums by them in any way received, withdrawn or divided, with interest thereon, from the time when they were so withdrawn respectively.

IX. And be it enacted, That no general assignment by said Partnership, in case of insolvency, or where their goods and estate are insufficient for the payment of all their debts, shall be valid, unless it shall provide for a distribution of the Partnership property among all the creditors, in proportion to the amount of their several claims, excepting the claims of the Government arising from any debts due and owing by any such firm or Partnership, which are first to be paid or secured.

X. And be it enacted, That in case of an assignment as provided for in the preceding section, the assent of the creditors shall be presumed, unless they shall within sixty days after notice thereof dissent, either expressly, or by some act clearly implying such dissent; and no such assignment shall be valid unless notice thereof shall be given in some newspaper printed in the County where the place of business of the party making it is situated, or if no newspaper be published in such County, then in the Royal Gazette, within fourteen days after the making of such assignment.

XI. And be it enacted, That all suits respecting the business of such Partnership shall be prosecuted by and against the general Partners only, except in those cases in which provision is made in this Act that the special Partners shall be deemed general Partners, and that special Partnerships shall be deemed general Partnerships, in which cases, all the Partners deemed general Partners may join or be joined in such suits; and excepting also those cases where special Partners shall be held severally responsible on account of any sums by them received or withdrawn from the common stock as before provided.

XII. And be it enacted, That no dissolution of a limited Partnership shall take place, except by operation of law, before the time specified in the certificate before mentioned, unless a notice of such dissolution shall be recorded in the Registry in which the original certificate, or the certificate

of renewal or continuation of the Partnership was recorded, and in every other Registry where a copy of such certificate was recorded; and unless such notice shall also be published for six successive weeks in some newspaper printed in the County where the certificates of the formation of such Partnership were published according to the provisions of this Act, and if no newspaper shall at the time of such dissolution be printed in such County, then the notice of such dissolution shall be published in the Royal Gazette.

XIII. And be it enacted, That in all cases not otherwise provided for in this Act, the members of limited Partnerships shall be subject to all the liabilities and entitled to all the rights of general Partners.

XIV. And be it enacted, That a certificate of the dividend of interests or profits made from any such Partnership to the special Partners, shall from time to time and so often as the same shall happen, be signed and sworn to by one or more of the general Partners, setting forth the amount of the actual cash payments originally subscribed and paid by the special Partners, and the dividend or profits and sums of money declared payable under such statement to each of the several Partners; which certificate so executed and sworn to, shall be recorded by the Registrar of the County in which the general Partners reside, or wherein the business is conducted; provided always, that no dividend or division of profits or interest shall be made or declared for any period less than one year.

XV. And be it further enacted, That the amount of profits or dividends made or declared to be made under and by virtue of the certificate mentioned in the foregoing section, shall be taken and deemed to be prima facie evidence of the sum or sums of money received, withdrawn or divided by and between the parties for the purposes of the eighth section of this Act.