

# PARTNERSHIP ACT 1908

1908/138 (NZ) – 4 August 1908

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**To consolidate certain enactments relating to partnership**

**1 Short title**

This is the Partnership Act 1908.

**2 Interpretation**

In this Act, “business” includes every trade, occupation, or profession.

**3 Saving for rules of equity and common law**

The rules of equity and of common law applicable to partnership shall continue in force except so far as they are inconsistent with this Act.

PART 1

THE GENERAL LAW RELATING TO PARTNERS

*Nature of Partnership*

**4 Definition of partnership**

(1) Partnership is the relation which subsists between persons carrying on a business in common with a view to profit.

(2) The relationship between members of a company or association registered under the Companies Act 2006 is not a partnership within the meaning of this Act.

**5 Rules for determining existence of partnership**

In determining whether a partnership does or does not exist regard shall be had to the following rules:

- (a) Joint tenancy, tenancy in common, joint property, or part ownership does not of itself create a partnership as to anything so held or owned, whether the tenants or owners do or do not share any profits made by the use of it;
- (b) The sharing of gross returns does not of itself create a partnership, whether the persons sharing such returns have or have not a joint or common right or interest in any property from which or from the use of which the returns are derived;
- (c) The receipt by a person of a share of the profits of a business is prima facie evidence that he is a partner in the business, but the receipt of such a share or of a payment contingent on or varying with the profits of a business does not of itself make him a partner in the business and, in particular –
  - (i) the receipt by a person of a debt or other liquidated amount, by instalments or otherwise, out of the accruing profits of a business does not of itself make him a partner in the business or liable as such;
  - (ii) a contract for the remuneration of a servant or agent of a person engaged in a business by a share of the profits of the business does not of itself make the servant or agent a partner in the business or liable as such;
  - (iii) a person being the widow or child of a deceased partner, and receiving by way of annuity a portion of the profits made in the business in which the deceased person was a partner, is not by reason only of such receipt a partner in the business or liable as such;
  - (iv) the advance of money by way of loan to a person engaged or about to engage in any business on a contract with that 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 business, does not of itself make

the lender a partner with the person or persons carrying on the business, or liable as such:

Provided that the contract is in writing, and signed by or on behalf of all the parties to it;

- (v) a person receiving by way of annuity or otherwise a portion of the profits of a business in consideration of the sale by him of the goodwill of the business is not, by reason only of such receipt, a partner in the business or liable as such.

## **6 Rights of person lending or selling in consideration of share of profits in case of bankruptcy**

In the event of any person to whom money has been advanced by way of loan upon such a contract as is mentioned in section 5, or of any buyer of a goodwill in consideration of a share of the profits of the business, being adjudged a bankrupt, entering into an arrangement to pay his creditors less than 100 cents in the dollar, or dying in insolvent circumstances the lender of the loan shall not be entitled to recover anything in respect of his loan, and the seller of the goodwill shall not be entitled to recover anything in respect of the share of profits contracted for, until the claims of the other creditors of the borrower or buyer for valuable consideration in money or money's worth have been satisfied.

## **7 Meaning of "firm"**

Persons who have entered into partnership with one another are for the purposes of this Act called collectively a "firm", and the name under which their business is carried on is called the "firm name".

### *Relations of Partners to Persons Dealing with Them*

## **8 Power of partner to bind the firm**

Every partner is an agent of the firm and his other partners, for the purpose of the business of the partnership, and the acts of every partner who does any act for carrying on in the usual way business of the kind carried on by the firm of which he is a member bind the firm and his partners, unless the partner so acting has in fact no authority to act for the firm in the particular matter, and the person with whom he is dealing either knows that he has no authority or does not know or believe him to be a partner.

## **9 Partners bound by acts on behalf of firm**

(1) An act or instrument relating to the business of the firm and done or executed in the firm name, or in any other manner showing an intention to bind the firm, by any person authorised for the purpose whether a partner or not, is binding on the firm and all the partners.

(2) This section shall not affect any general rule of law relating to the execution of deeds or negotiable instruments.

## **10 Partner using credit of firm for private purposes**

(1) Where one partner pledges the credit of the firm for a purpose apparently not connected with the firm's ordinary course of business, the firm is not bound unless he is in fact specially authorised by the other partners.

(2) This section does not affect any personal liability incurred by an individual partner.

**11 Effect of notice that firm will not be bound by acts of partner**

If it has been agreed between the partners that any restriction shall be placed on the power of any one or more of them to bind the firm, no act done in contravention of the agreement is binding on the firm with respect to persons having notice of the agreement.

**12 Liability of partners**

Every partner in a firm is liable jointly with the other partners for all debts and obligations of the firm incurred while he is a partner, and after his death his estate is also severally liable in a due course of administration for such debts and obligations as far as they remain unsatisfied, but subject to the prior payment of his separate debts.

**13 Liability of the firm for wrongs**

Where by the wrongful act or omission of any partner acting in the ordinary course of the business of the firm, or with the authority of his co-partners, loss or injury is caused to any person not being a partner in the firm, or any penalty is incurred, the firm is liable therefor to the same extent as the partner so acting or omitting to act.

**14 Misapplication of money received for firm**

The firm is liable to make good the loss –

- (a) Where one partner acting within the scope of his apparent authority receives the money or property of a third person and misapplies it; and
- (b) Where a firm in the course of its business receives money or property of a third person, and the money or property so received is misapplied by one or more of the partners while it is in the custody of the firm.

**15 Joint and several liability**

Every partner is liable jointly with his co-partners and also severally for everything for which the firm, while he is a partner in it, becomes liable under sections 13 and 14.

**16 Improper employment of trust property for partnership purposes**

(1) If a partner, being a trustee, improperly employs trust property in the business or on the account of the partnership, no other partner is liable for the trust property to the persons beneficially interested in it.

(2) (a) This section shall not affect any liability incurred by any partner by reason of his having notice of a breach of trust.

(b) Nothing in this section shall prevent trust money from being followed and recovered from the firm if still in its possession or under its control.

**17 Persons liable by “holding out”**

(1) Every one who, by words spoken or written, or by conduct, represents himself, or who knowingly suffers himself to be represented, as a partner in a particular firm is liable as a partner to any one who has, on the faith of any such representation, given credit to the firm, whether the representation has or has not been made or communicated to the person so giving credit by or with the knowledge of the apparent partner making the representation or suffering it to be made.

(2) Where after a partner’s death the partnership business is continued in the old firm’s name, the continued use of that name or of the deceased partner’s name as part of it shall not of itself make his executors or administrators estate or effects liable for any partnership debts contracted after his death.

**18 Admissions and representations of partners**

An admission or representation made by any partner concerning the partnership affairs, and in the ordinary course of its business, is evidence against the firm.

**19 Notice to acting partner to be notice to firm**

Notice to any partner who habitually acts in the partnership business of any matter relating to partnership affairs operates as notice to the firm, except in the case of a fraud on the firm committed by or with the consent of that partner.

**20 Liabilities of incoming and outgoing partners**

(1) A person who is admitted as a partner into an existing firm does not thereby become liable to the creditors of the firm for anything done before he became a partner.

(2) A partner who retires from a firm does not thereby cease to be liable for partnership debts or obligations incurred before his retirement.

(3) A retiring partner may be discharged from any existing liabilities by an agreement to that effect between himself and the members of the firm as newly constituted and the creditors, and this agreement may be either express or inferred as a fact from the course of dealing between the creditors and the firm as newly constituted.

**21 Revocation of continuing guarantee by change in firm**

A continuing guarantee given either to a firm or to a third person in respect of the transactions of a firm is, in the absence of agreement to the contrary, revoked as to future transactions by any change in the constitution of the firm to which, or of the firm in respect of the transactions of which, the guarantee was given.

*Relations of Partners to One Another*

**22 Variation by consent of terms of partnership**

The mutual rights and duties of partners, whether ascertained by agreement or defined by this Act, may be varied by the consent of all the partners, and such consent may be either express or inferred from a course of dealing.

**23 Partnership property**

(1) All property and rights and interests in property originally brought into the partnership stock, or acquired (whether by purchase or otherwise) on account of the firm or for the purposes and in the course of the partnership business, are called in this Act “partnership property” and must be held and applied by the partners exclusively for the purposes of the partnership and under the partnership agreement.

(2) The legal estate or interest in any land which belongs to the partnership shall devolve under the nature and tenure thereof and the general rules of law thereto applicable, but in trust, so far as necessary, for the persons beneficially interested in the land under this section.

(3) Where co-owners of an estate or interest in any land not being itself partnership property are partner as to profits made by the use of that land or estate, ad purchase other land or estate out of the profits to be used in like manner, the land or estate so purchased belongs to them, in the absence of an agreement to the contrary, not as partners, but as co-owners for the same respective estates and interests as are held by them in the land or estate first mentioned at the date of the purchase.

**24 Property bought with partnership money**

Unless the contrary intention appears, property bought with money belonging to the firm is deemed to have been bought on account of the firm.

**25 Conversion into personal estate of land held as partnership property**

Where land has become partnership property it shall, unless the contrary intention appears, be treated as between the partners (including the representatives of a deceased partner), and also as between the heirs of a deceased partner and his executors or administrators, as personal and not real estate.

**26 Procedure against partnership property for partner's separate debt**

(1) A writ of execution shall not issue against any partnership property except on a judgment against the firm.

(2) The Court or a Judge may on the application by summons of any judgment creditor of a partner, make an order charging that partner's interest in the partnership property and profits with payment of the amount of the judgment debt and interest on it, and may by the same or a subsequent order appoint a receiver of that partner's share of profits (whether already declared or accruing), and of any other money coming to him in respect of the partnership, and direct all accounts and inquiries and give all other orders and directions which might have been directed or given if the charge had been made in favour of the judgment creditor by the partner, or which the circumstances of the case require.

(3) The other partner or partners shall be at liberty at any time to redeem the interest charged or, in case of a sale being directed, to purchase the same.

**27 Rules as to interests and duties of partners**

The interests of partners in the partnership property, and their rights and duties in relation to the partnership, shall be determined, subject to any agreement (express or implied) between the partners, by the following rules:

- (a) All the partners are entitled to share equally in the capital and profits of the business, and must contribute equally towards the losses, whether of capital or otherwise, sustained by the firm.
- (b) The firm must indemnify every partner in respect of payments made and personal liabilities incurred by him –
  - (i) in the ordinary and proper conduct of the business of the firm; or
  - (ii) in or about anything necessarily done for the preservation of the business or property of the firm.
- (c) A partner making, for the purpose of the partnership, any actual payment or advance beyond the amount of capital which he has agreed to subscribe is entitled to interest at the rate of 5% per annum from the date of the payment or advance.
- (d) A partner is not entitled, before the ascertainment of profits, to interest on the capital subscribed by him.
- (e) Every partner may take part in the management of the partnership business.
- (f) No partner shall be entitled to remuneration for acting in the partnership business.
- (g) No person may be introduced as a partner without the consent of all existing partners.

- (h) Any difference arising as to ordinary matters connected with the partnership business may be decided by a majority of the partners, but no change may be made in the nature of the partnership business without the consent of all existing partners.
- (i) The partnership books are to be kept at the place of business of the partnership (or the principal place if there is more than one), and every partner may have access to and inspect and copy any of them.

**28 Expulsion of partner**

A majority of the partners cannot expel any partner unless a power to do so has been conferred by express agreement between the partners.

**29 Retirement from partnership at will**

(1) Where no fixed term has been agreed upon for the duration of the partnership, any partner may determine the partnership at any time on giving notice of his intention so to do to all the other partners.

(2) Where the partnership has originally been constituted by deed, a notice in writing, signed by the partner giving it, shall be sufficient for this purpose.

**30 Conditions of partnership where term continued over**

(1) Where a partnership entered into for a fixed term is continued after the term has expired, and without any expressed new agreement, the rights and duties of the partners remain the same as they were at the expiration of the term, so far as is consistent with the incidents of a partnership at will.

(2) A continuance of the business by the partners, or such of them as habitually acted therein during the term, without any settlement or liquidation of the partnership affairs is presumed to be a continuance of the partnership.

**31 Duty to render accounts**

Partners are bound to render true accounts and full information of all things affecting the partnership to any partner or his legal representatives.

**32 Partners to account for private profits**

(1) Every partner must account to the firm for any benefit derived by him without the consent of the other partners from any transaction concerning the partnership, or from any use by him of the partnership property, name, or business connection.

(2) This section applies also to transactions undertaken after a partnership has been dissolved by the death of a partner, and before the affairs thereof have been completely wound up, either by any surviving partner or by the representatives of the deceased partner.

**33 Partner not to compete with firm**

If a partner, without the consent of the other partners, carries on any business of the same nature as and competing with that of the firm, he must account for and pay over to the firm all profits made by him in that business.

**34 Rights of assignee of share in partnership**

(1) An assignment by any partner of his share in the partnership, either absolute or by way of mortgage, does not, as against the other partners, entitle the assignee, during the continuance of the partnership, to interfere in the management or

administration of the partnership business or affairs, or to require any account of the partnership transactions, or to inspect the partnership books, but entitles the assignee only to receive the share of profits to which the assigning partner would otherwise be entitled, and the assignee must accept the account of profits agreed to by the partners.

(2) In case of a dissolution of the partnership, whether as respects all the partners or as respects the assigning partner, the assignee is entitled to receive the share of the partnership assets to which the assigning partner is entitled as between himself and the other partners, and, for the purpose of ascertaining that share, to an account as from the date of the dissolution.

#### *Dissolution of Partnership and its Consequences*

### **35 Dissolution by expiration or notice**

(1) Subject to any agreement between the partners, a partnership is dissolved –

- (a) If entered into for a fixed term, by the expiration of that term;
- (b) If entered into a single adventure or undertaking, by the termination of that adventure or undertaking;
- (c) If entered into for an undefined time, by any partner giving notice to the other or others of his intention to dissolve the partnership.

(2) In subsection (1)(c) the partnership is dissolved as from the date mentioned in the notice as the date of dissolution, or, if no date is so mentioned, as from the date of the communication of the notice.

### **36 Dissolution by death, bankruptcy, or charge**

(1) Subject to any agreement between the partners, every partnership is dissolved as regards all the partners by the death or bankruptcy of any partner.

(2) A partnership may, at the option of the other partners, be dissolved if any partner suffers his share of the partnership property to be charged under this Act for his separate debt.

### **37 Dissolution by illegality of partnership**

A partnership is in every case dissolved by the happening of any event which makes it unlawful for the business of the firm to be carried on or for the members of the firm to carry it on in partnership.

### **38 Dissolution by the Court**

On application by a partner the Court may declare a dissolution of the partnership in any of the following cases –

- (a) Where a partner is found lunatic by inquisition, or is shown to the satisfaction of the Court to be of permanently unsound mind, in either of which cases the application may be made as well on behalf of that partner by his committee or next friend or person having title to intervene as by any other partner;
- (b) Where a partner, other than the partner suing, becomes in any other way permanently incapable of performing his part of the partnership contract;
- (c) Where a partner, other than the partner suing, has been guilty of such conduct as in the opinion of the Court, regard being had to the nature of the business, is calculated to prejudicially affect the carrying on of the business;
- (d) Where a partner, other than the partner suing, wilfully or persistently commits a breach of the partnership agreement, or otherwise so conducts himself in matters relating to the partnership business that it is not reasonably practicable



for the other partner or partners to carry on the business in partnership with him;

- (e) Where the business of the partnership can only be carried on at a loss;
- (f) Where circumstances have arisen which, in the opinion of the Court, render it just and equitable that the partnership be dissolved.

**39 Rights of persons dealing with firm against apparent members**

(1) Where a person deals with a firm after a change in its constitution, he is entitled to treat all apparent members of the old firm as still being members of the firm until he has notice of the change.

(2) An advertisement in the *Gazette* shall be notice as to persons who had not dealings with the firm before the date of the dissolution or change so advertised.

(3) The estate of a partner who dies, or who becomes bankrupt, or of a partner who, not having been known to the person dealing with the firm to be a partner, retires from the firm, is not liable for partnership debts contracted after the date of the death, bankruptcy, or retirement respectively.

**40 Right of partners to notify dissolution**

On the dissolution of a partnership or retirement of a partner any partner may publicly notify the same, and may require the other partner or partners to concur for that purpose in all necessary or proper acts, if any, which cannot be done without his or their concurrence.

**41 Continuing authority of partners for purposes of winding up**

(1) After the dissolution of a partnership the authority of each partner to bind the firm, and the other rights and obligations of the partners, continue (notwithstanding the dissolution) so far as may be necessary to wind up the affairs of the partnership and to complete transactions begun but unfinished at the time of the dissolution, but not otherwise.

(2) The firm is in no case bound by the acts of a partner who has become bankrupt, but this proviso does not affect the liability of any person who has after the bankruptcy represented himself, or knowingly suffered himself to be represented, as a partner of the bankrupt.

**42 Rights of partners as to application of partnership property**

On the dissolution of a partnership every partner is entitled as against the other partners in the firm, and all persons claiming through them in respect of their interests as partners, to have the property of that partnership applied in payment of the debts and liabilities of the firm, and to have the surplus assets after such payment applied in payment of what may be due to the partners respectively after deducting what may be due from them as partners of the firm, and for that purpose any partner or his representatives may, on the termination of the partnership, apply to the Court to wind up the business and affairs of the firm.

**43 Apportionment of premium where partnership prematurely dissolved**

Where one partner has paid a premium to another on entering into a partnership for a fixed term, and the partnership is dissolved before the expiration of that term otherwise than by the death of a partner, the Court may order the repayment of the premium or of such part of it as it thinks just, having regard to the terms of the partnership contract and to the length of time during which the partnership has continued, unless –

- (a) The dissolution is, in the judgment of the Court, wholly or chiefly due to the misconduct of the partner who paid the premium; or
- (b) The partnership has been dissolved by an agreement containing no provision for a return of any part of the premium.

**44 Rights where partnership dissolved for fraud or misrepresentation**

Where a partnership contract is rescinded on the ground of the fraud or misrepresentation of one of the parties to it, the party entitled to rescind is, without prejudice to any other right, entitled –

- (a) To a lien on or right of retention of the surplus of the partnership assets, after satisfying the partnership liabilities, for any sum of money paid by him for the purchase of a share in the partnership and for any capital contributed by him; and
- (b) To stand in the place of the creditors of the firm for any payments made by him in respect of the partnership liabilities; and
- (c) To be indemnified, by the person guilty of the fraud or making the representation, against all the debts and liabilities of the firm.

**45 Right of outgoing partner to share profits made after dissolution**

(1) Where any member of a firm dies or otherwise ceases to be a partner and the surviving or continuing partners carry on the business of the firm with his capital or assets without any final settlement of accounts as between the firm and the outgoing partner or his estate, then, in the absence of any agreement to the contrary, the outgoing partner or his estate is entitled, at the opinion of him or his representative, to such share of the profits made since the dissolution as the Court may find to be attributable to the use of his share of the partnership assets, or the interest at the rate of 5 per cent per annum on the amount of his share of the partnership assets.

(2) Where by the partnership contract an option is given to surviving or continuing partners to purchase the interest of a deceased or outgoing partner, and that option is duly exercised, the estate of the deceased partner or the outgoing partner, or his estate, as the case may be, is not entitled to any further or other share of profits; but if any partner assuming to act in exercise of the option does not in all material respects comply with the terms of it he is liable to account under this section.

**46 Retiring or deceased partner's share to be a debt**

Subject to any agreement between the partners, the amount due from surviving or continuing partners to an outgoing partner or the representatives of a deceased partner, in respect of the outgoing or deceased partner's share, is a debt accruing at the date of the dissolution or death.

**47 Distribution of assets on final settlement of accounts**

In settling accounts between the partners after a dissolution of partnership the following rules shall, subject to any agreement, be observed –

- (a) Losses, including losses and deficiencies of capital, shall be paid first out of profits, next out of capital, and lastly, if necessary, by the partners individually in the proportion in which they were entitled to share profits.
- (b) The assets of the firm, including the sums (if any) contributed by the partners to make up losses or deficiencies of capital, shall be applied in the following manner and order –
  - (i) in paying the debts and liabilities of the firm to persons who are not partners in it;

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- (ii) in paying to each partner rateably what is due from the firm to him for advances as distinguished from capital;
- (iii) in paying to each partner rateably what is due from the firm to him in respect of capital;
- (iv) the ultimate residue, if any, shall be divided among the partners in the proportion which profits are divisible.

### PART 2

#### SPECIAL PARTNERSHIPS

#### **48 Part 1 not to affect special partnerships**

Part 1 shall not affect special partnerships except in so far as the general law relating to partners is declared by sections 49-67 to be applicable to special partnerships.

#### **49 Special partnerships may be formed, except for banking and insurance**

(1) Special partnerships may be formed for the transaction of agriculture, mining, mercantile, mechanical, manufacturing, or other business, by any number of persons, upon the terms and subject to the conditions and liabilities prescribed in this Part.

(2) Nothing shall authorise any such partnership for the purpose either of banking or insurance.

#### **50 General and special partners, and their liabilities**

Every special partnership may consist of general partners, who shall be jointly and severally responsible as general partners are now by law, and of persons, to be called special partners, who shall contribute to the common stock specific sums in money as capital, beyond which they shall not be responsible for any debt of the partnership except in cases provided in this Part.

#### **51 Certificates to be signed by partners**

All the persons forming any special partnership shall, before commencing business, sign a certificate containing –

- (a) The style of the firm under which the partnership is to be conducted;
- (b) The names and places of residence of all the partners, distinguishing the general from the special partners;
- (c) The amount of capital which each special partner contributes, and also (if any) the amount contributed by the general partners to the common stock;
- (d) The general nature of the business to be transacted;
- (e) The principal or only place at which it is to be transacted; and
- (f) The time when such partnership is to commence and when it is to terminate.

#### **52 Style of partnership**

Such style or firm shall contain the names of general partners only, or the name of one such partner, with (in either case) the addition of the words “and Company”, and the general partners only shall transact the business of the partnership.

#### **53 When special partner deemed general partner**

If in carrying on such business or in any contract connected with it the name of any special partner is used with his consent or privity, or if he personally makes any contract respecting the concerns of the partnership, he shall be deemed to be a general partner with respect to the contract or matter in which his name has been so used or as to which he so contracted.

**54 Certificates to be acknowledged and registered**

A special partnership shall not be deemed formed until such certificate is acknowledged by each partner before the Court, and registered in the office of the Court in a book to be kept for that purpose by the Registrar open to public inspection.

**55 False statement in certificate: partners liable as general partners**

(1) If any false statement is made in any such certificate, all the persons interested in the special partnership shall be liable for all the engagements thereof as general partners.

(2) No clerical error or matter not of substance shall be deemed false within the meaning of this section unless some person is prejudiced thereby, in which case the special partners shall be liable to the person so prejudiced.

**56 Copy of certificate to be published**

(1) A copy of such certificate shall be published once at least in the *Gazette* and twice in some newspaper published at the intended principal place of business of the special partnership, or at the nearest place to such place of business where a newspaper is published.

(2) If such publication is not so made, the partnership shall be deemed general.

**57 Duration of partnerships**

A special partnership shall not be entered into for a longer period than 7 years, but any such partnership may be renewed at the end of that period or at the termination of any shorter period for which it was formed.

**58 Certificate to be signed on renewal**

(1) Upon every renewal or continuation beyond the time originally agreed on for the duration of a special partnership, a certificate thereof shall be signed, acknowledged, registered and published in like manner as the original certificate.

(2) Every partnership renewed or continued otherwise than in conformity with this section shall be deemed general.

**59 Capital stock not to be withdrawn**

During the continuance of any special partnership no part of the certified capital thereof shall be withdrawn, nor shall any division or interest or profit be made so as to reduce such capital below the aggregate amount stated in the certificate.

**60 When special partners liable to refund capital withdrawn**

(1) If any part of such capital is withdrawn, or any such division is made, so that at any time during the continuance or at the termination of the special partnership the assets are insufficient to pay the partnership debts, the special partners shall be severally liable to refund every sum received by them respectively in diminution of such capital or by way of such interest or profit.

(2) All such sums may be recovered as money had and received by the respectively to the use of the general partners; and may in the case of any judgment being obtained against the general partners, be recovered by the plaintiff against the special partners, or any of them, by process of execution issued under such judgment by leave of the Court.

**61 Suits to be by and against general partners**

All suits respecting the business of any special partnership shall be prosecuted by and against the general partners only, except in the cases in which it is provided by this Act that special partners shall or may be deemed general partners, in which cases every special partner who becomes liable as a general partner may be joined or not in the action as a defendant, at the discretion of the party suing.

**62 Dissolution, how effected**

A dissolution of a special partnership shall not take place, except by operation of law, before the time specified in the certificate, unless a notice of such dissolution is signed, acknowledged, registered, and published in like manner as the original certificate.

**63 Cases not specially provided for**

In all cases not otherwise provided for all the members of a special partnership shall be subject to the liabilities and entitled to the rights of general partners.

**64 Accounting**

The general partners shall be liable to account to each other and to the special partners for their management of the partnership concerns as other partners are by law.

**65 Frauds by partners**

Every partner guilty of any fraud in the affairs of the partnership shall be liable civilly to the party injured to the extent of his damage, and shall also be liable to an indictment for a crime punishable by fine or imprisonment, or both, at the discretion of the Court.

**66 Books of account to be kept, and to be open to inspection**

If the general partners do not at all times cause regular books of account to be kept, or do not have the same open at all reasonable times to the inspection of the special partners, such special partners shall be entitled to have the special partnership dissolved and the accounts of it taken by the Court.

**67 Liability of special partners if books not kept**

If the books of any special partnership are, with the knowledge or privity of the special partners or any of them, kept incorrectly, or contain any false or deceptive entries, whereby the ascertainment of the matters mentioned in sections 59 and 60 are or may be affected, the certified capital of such special partners or such one or more of them having such knowledge or privity shall as against creditors be deemed to have been withdrawn, and they or he shall be liable accordingly under section 60.

