

No. XIV.

PARTNERSHIP
AMENDMENT.

An Act to amend the Law of Partnership. [10th
October, 1866.]

Preamble.

WHEREAS it is expedient to amend the Law relating to Partnership Be it therefore enacted by the Queen's Most Excellent Majesty by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled and by the authority of the same as follows :—

Advance of money
on written contract
to receive share of
profits not to consti-

1. The advance of money by way of loan to any person engaged or about to engage in any trade or undertaking upon a contract in writing with such person that the lender shall receive a rate of interest varying

Sale of Colonial Brandy.

varying with the profits or shall receive a share of the profits arising from carrying on such trade or undertaking shall not of itself constitute the lender a partner with the person or persons carrying on such trade or undertaking or render him responsible as such. tute lender a partner as to responsibility—

2. 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 such trade or undertaking shall of itself render such servant or agent responsible as a partner therein nor give him the rights of a partner. Nor remuneration of servants agents &c. by share of profits.

3. 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 such trader in his business shall by reason only of such receipt be deemed to be a partner of or to be subject to any liabilities incurred by such trader. Certain annuitants not to be deemed partners.

4. 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 good-will of such business shall by reason only of such receipt be deemed to be a partner of or be subject to the liabilities of the person carrying on such business. Receipts of profits in consideration of sale of good-will not to make the seller a partner.

5. In the event of any such trader as aforesaid having his estate placed under sequestration or entering into an arrangement to pay his creditors less than twenty shillings in the pound or dying in insolvent circumstances the lender of any such loan as aforesaid shall not be entitled to recover any portion of his principal or of the profits or interest payable in respect of such loan nor shall any such vendor of a good-will as aforesaid be entitled to recover any such profits as aforesaid until the claims of the other creditors of the said trader for valuable consideration shall have been satisfied. In case of insolvency lender not to rank with other creditors.

6. Nothing in this Act contained shall be deemed to affect any of the provisions of the Insolvent Laws for the time being. Insolvent Laws not prejudiced.

7. In the construction of this Act the word "person" shall include a partnership firm a joint stock company and a corporation. Interpretation.

8. This Act may be cited as the "Partnership Amendment Act." Short title.