

# *The Partnership Act*

*being*

Chapter 196 of *The Revised Statutes of Saskatchewan, 1920*  
(assented to November 10, 1920).

## **NOTE:**

**This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.**

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## CHAPTER 196

### An Act respecting Partnerships

#### SHORT TITLE

##### Short title

**1** This Act may be cited as *The Partnership Act*.

R.S.S. 1909, c.143, s.1; R.S.S. 1920, c.196, s.1.

#### INTERPRETATION

##### Interpretation

**2** In this Act unless the context otherwise requires the expression:

##### “Business”

1. “**Business**” includes every trade, occupation or profession;

##### “Court”

2. “**Court**” means the Court of King’s Bench for Saskatchewan and any judge of the court may at any time whether sitting in chambers or in court, exercise all the powers conferred by this Act upon the court;

##### “Registration clerk”

3. “**Registration clerk**” means a clerk for the registration of chattel mortgages and other transfers of personal property.

R.S.S. 1909, c.143, s.2; R.S.S. 1920, c.196, s.2.

#### NATURE OF PARTNERSHIP

##### Definition

**3(1)** Partnership is the relation which subsists between persons carrying on a business in common with a view of profit.

(2) The relation between members of any company or association who constitute a body corporate under any law in force in Saskatchewan is not a partnership within the meaning of this Act.

R.S.S. 1909, c.143, s.3; R.S.S. 1920, c.196, s.3.

##### Rules for determining existence

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

1. Joint tenancy, tenancy in common, joint property, common 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 thereof;

2. 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;

3. 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:

- (a) 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;
- (b) 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;
- (c) 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;
- (d) 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 thereto;
- (e) 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.

R.S.S. 1909, c.143, s.4; R.S.S. 1920, c.196, s.4.

**Postponement of certain claims**

5 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 4, or of any buyer of a goodwill in consideration of a share of the profits of the business becoming bankrupt, 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 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.

R.S.S. 1909, c.143, s.5; R.S.S. 1920, c.196, s.5.

**Interpretation "firm" and "firm name"**

6 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.

R.S.S. 1909, c.143, s.6; R.S.S. 1920, c.196, s.6.

## RELATIONS OF PARTNERS TO PERSONS DEALING WITH THEM

**Power to bind firm**

**7** 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.

R.S.S. 1909, c.143, s.7; R.S.S. 1920, c.196, s.7.

**Partners bound by firm act**

**8** An act or instrument relating to the business of the firm and done or executed in the firm name or in any other showing an intention to bind the firm, by any person manner thereto authorised, whether a partner or not, is binding on the firm and all the partners:

Provided that this section shall not affect any general rule of law relating to the execution of deeds, instruments or documents affecting land or negotiable instruments.

R.S.S. 1909, c.143, s.8; R.S.S. 1920, c.196, s.8.

**Using credit of firm for private purposes**

**9** 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 partner or partners; but this section does not affect any personal liability incurred by an individual partner.

R.S.S. 1909, c.143, s.9; R.S.S. 1920, c.196, s.9.

**Notice that firm not bound by acts of partner**

**10** If it has been agreed between the partners that any restriction shall be placed on the power of any one or more bound by 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.

R.S.S. 1909, c.143, s.10; R.S.S. 1920, c.196, s.10.

**Liability of partner**

**11** 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 so far as they remain unsatisfied but subject to the prior payment of his separate debts.

R.S.S. 1909, c.143, s.11; R.S.S. 1920, c.196, s.11.

**Liability of firm for wrongs**

**12** Where by any wrongful act or omission of any partner acting in the ordinary course of the business of the firm or with the authority of his copartners 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.

R.S.S. 1909, c.143, s.12; R.S.S. 1920, c.196, s.12.

**Liability of firm for misapplication of money**

**13** In the following cases, namely:

- (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; the firm is liable to make good the loss.

R.S.S. 1909, c.143, s.13; R.S.S. 1920, c.196, s.13.

**Liability joint and several**

**14** Every partner is liable jointly with his copartners and also severally for everything for which the firm while he is a partner therein becomes liable under either section 12 or 13.

R.S.S. 1909, c.143, s.14; R.S.S. 1920, c.196, s.14.

**Improper employment of trust property**

**15** 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 person beneficially interested therein:

Provided as follows:

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

R S.S. 1909, c.143, s.15; R.S.S. 1920, c.196, s.15.

**Persons liable by holding out**

**16(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) Provided that where after a partner's death the partnership business is continued in the old firm name, the continued use of that name or of the deceased partner's name as part thereof shall not of itself make his executors or administrators, estate or effects liable for any partnership debts contracted after his death.

R.S.S. 1909, c.143, s.16; R.S.S. 1920, c.196, s.16.

**Admissions and representations of partners**

**17** 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.

R.S.S. 1909, c.143, s.17; R.S.S. 1920, c.196, s.17.

**Notice to acting partner**

**18** 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.

R.S.S. 1909, c.143, s.18; R.S.S. 1920, c.196, s.18.

**Liability of incoming and outgoing partners**

**19(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 expressed or inferred as a fact from the course of dealing between the creditors and the firm as newly constituted.

R.S.S. 1909, c.143, s.19; R.S.S. 1920, c.196, s.19.

**Revocation of continuing guaranty by change in firm**

**20** A continuing guaranty 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 guaranty was given.

R.S.S. 1909, c.143, s.20; R.S.S. 1920, c.196, s.20.

RELATIONS OF PARTNERS TO ONE ANOTHER

**Variation by consent of terms of partnership**

**21** 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.

R.S.S. 1909, c.143, s.21; R.S.S. 1920, c.196, s.21.

**Partnership property**

**22(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 in accordance with the partnership agreement.

(2) Provided that the legal estate or interest in any land which belongs to the partnership shall devolve according to 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 partners as to profits made by the use of that land or estate and 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.

R.S.S. 1909, c.143, s.22; R.S.S. 1920, c.196, s.22.

**Property bought with partnership money**

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

R.S.S. 1909, c.143, s.23; R.S.S. 1920, c.196, s.23.

**Partnership land as personal estate**

**24** Where land or any interest therein has become partnership property it shall, unless the contrary intention appears, be treated as between the partners (including the representatives of a deceased partner) as personal or movable and not real estate.

R.S.S. 1909, c.143, s.24; R.S.S. 1920, c.196, s.24.

**Procedure against partnership property**

**25(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 thereof or, in cases where judgment has been obtained in a district court, a judge of that court may in chambers on application by summons by 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 thereon 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 which is 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.

R.S.S. 1909, c.143, s.25; 1913, c.67, s.21(1); R.S.S. 1920, c.196, s.25.

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

**26** 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:

1. 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;
2. The firm must indemnify every partner in respect of payments made and personal liabilities incurred by him:
  - (a) in the ordinary and proper conduct of the business of the firm; or
  - (b) in or about anything necessarily done for the preservation of the business or property of the firm;
3. 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 from the date of the payment or advance;
4. A partner is not entitled before the ascertainment of profits to interest on the capital subscribed by him;
5. Every partner may take part in the management of the partnership business;
6. No partner shall be entitled to remuneration for acting in the partnership business;
7. No person may be introduced as a partner without the consent of all existing partners;
8. 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;
9. 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 when he thinks fit have access to and inspect and copy any of them.

R.S.S. 1909, c.143, s.26; R.S.S. 1920, c.196, s.26.

**Expulsion of partner**

**27** No majority of the partners can expel any partner unless a power to do so has been conferred by express agreement between the partners.

R.S.S. 1909, c.143, s.27; R.S.S. 1920, c.196, s.27.

**Retirement from partnership**

**28(1)** Where no fixed term has been agreed upon for the duration of the partnership or if a partnership is continued after a fixed term has expired 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.

R.S.S. 1909, c.143, s.28; R.S.S. 1920, c.196, s.28.

**Continuance of partnership**

**29(1)** Where a partnership entered into for a fixed term is continued after the term has expired and without any express 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 of liquidation of the partnership affairs is presumed to be a continuance of the partnership.

R.S.S. 1909, c.143, s.29; R.S.S. 1920, c.196, s.29.

**Rendering accounts**

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

R.S.S. 1909, c.143, s.30; R.S.S. 1920, c.196, s.30.

**Account ability for private profits**

**31(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.

R.S.S. 1909, c.143, s.31; R.S.S. 1920, c.196, s.31.

**Partner competing with firm**

**32** 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.

R.S.S. 1909, c.143, s.32; R.S.S. 1920, c.196, s.32.

**Rights of assignee of share in partnership**

**33(1)** An assignment by any partner of his share in the partnership either absolute or by way of mortgage, incumbrance or redeemable charge 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 accounts 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.

(3) In this section “**assignee**” shall include “**mortgagee**” or “**encumbrancee.**”

R.S.S. 1909, c.143, s.33; R.S.S. 1920, c.196, s.33.

## DISSOLUTION OF PARTNERSHIP

**Expiration on notice**

**34** Subject to any agreement between the partners partnership is dissolved:

- (a) if entered into for a fixed term by the expiration of that term;
- (b) if entered into for 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;

in the last mentioned case 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.

R.S.S. 1909, c.143, s.34; R.S.S. 1920, c.196,  
s.34.

**Death, assignment or charge**

**35(1)** Subject to any agreement between the partners every partnership is dissolved as regards all the partners by the death of any partner or by his assignment of his property in trust for the benefit of his creditors.

(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.

R.S.S. 1909, c.143, s.35; R.S.S. 1920, c.196,  
s.35.

**Illegality of partnership**

**36** 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.

R.S.S. 1909, c.143, s.36; R.S.S. 1920, c.196,  
s.36.

**By the court**

**37** On application by a partner the court may decree a dissolution of the partnership in any of the following cases:

- (a) when a partner is shown to the satisfaction of the court to be of permanently unsound mind in which case the application may be made as well on behalf of that partner by his guardian or next friend or person having title to intervene as by any other partner;
- (b) when a partner other than the partner suing becomes in any other way permanently incapable of performing his part of the partnership contract;
- (c) when 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) when 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) when the business of the partnership can only be carried on at a loss;

(f) whenever in any case circumstances have arisen which in the opinion of the court, render it just and equitable that the partnership be dissolved.

R.S.S. 1909, c.143, s.37; R.S.S. 1920, c.196,  
s.37.

**Notice of changes in firm**

**38(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) The filing of a certificate under section 59, and the publication of the same in at least two consecutive issues of *The Saskatchewan Gazette* shall be notice of dissolution as to persons who had not dealings with the firm before the date of filing such certificate and publication.

(3) The estate of a partner who dies 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 or retirement respectively.

R.S.S. 1909, c.143, s.38; R.S.S. 1920, c.196,  
s.38.

**Notice of dissolution**

**39** On the dissolution of a partnership or retirement of a partner any partner may publicly give notice of 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.

R.S.S. 1909, c.143, s.39; R.S.S. 1920, c.196,  
s.39.

**Continuing authority of partners**

**40** 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 is 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.

R.S.S. 1909, c.143, s.40; R.S.S. 1920, c.196,  
s.40.

**Application of partnership property**

**41** 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 interest as partners to have the property of the 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 is due to the partners respectively after deducting what is due from them as partners to 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.

R.S.S. 1909, c.143, s.41; R.S.S. 1920, c.196, s.41.

**Apportionment of premium**

**42** 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 thereof 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.

R.S.S. 1909, c.143, s.42; R.S.S. 1920, c.196, s.42.

**Dissolution for fraud or misrepresentation**

**43** Where a partnership contract is rescinded on the ground of the fraud or misrepresentation of one of the parties thereto, 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 is
- (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.

R.S.S. 1909, c.143, s.43; R.S.S. 1920, c.196, s.43.

**Share of profits made after dissolution**

44(1) Where any member of a firm has died or otherwise ceased to be a partner and the surviving or continuing partners carry on the business of the firm with its 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 option of himself or his representatives 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 to interest on the amount of his share of the partnership assets.

(2) Provided that 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 or profits; but if any partner assuming to act in exercise of the option does not in all material respects comply with the terms thereof he is liable to account under the foregoing provisions of this section.

R.S.S. 1909, c.143, s.44; R.S.S. 1920, c.196, s.44.

**Retiring or deceased partner's share a debt**

45 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.

R.S.S. 1909, c.143, s. 45; R.S.S. 1920, c.196, s.45.

**Rules for final distribution of assets**

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

1. 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;

2. 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:

(a) in paying the debts and liabilities of the firm to persons who are not partners therein;

(b) in paying to each partner rateably what is due from the firm to him for advances as distinguished from capital;

(c) in paying to each partner rateably what is due from the firm to him in respect of capital;

(d) the ultimate residue, if any, shall be divided among the partners in the proportion in which profits are divisible.

R.S.S. 1909, c.143, s.46; R.S.S. 1920, c.196, s.46.

## PARTNERSHIP

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## REGISTRATION

**Certificate filed**

**47** All persons associated in partnership for trading, manufacturing or mining purposes in Saskatchewan shall cause to be filed in the office of the registration clerk of the registration district in which they carry on or intend to carry on business a certificate in writing signed by the several members of such partnership:

Provided, however, that if any of the said members be absent from the place where they carry on or intend to carry on business at the time of making such certificate then the same shall be signed by the members present in their own names and also for their absent comembers under their special authority to that effect; such special authority to be at the same time filed with the said registration clerk and annexed to such certificate.

R.S.S. 1909, c.143, s.47; R.S.S. 1920, c.196,  
s.47.

**Contents of certificate**

**48** Such certificate (form A) shall contain the names, surnames, additions and residences of each and every partner or associate as aforesaid and the name, style or firm under which they carry on or intend to carry on such business and shall state the time during which the partnership has existed and is to exist and that the persons therein named are the only members of such copartnership or association.

R.S.S. 1909, c.143, s.48; R.S.S. 1920, c.196,  
s.48.

**Times for filing**

**49** Such certificate shall be filed within six months next after the formation of any such partnership and a similar certificate shall in like manner be filed when and so often as any change or alteration of partnership takes place in the membership of such partnership or in the name, style or firm under which they intend to carry on business or in the place of residence of any member of said firm and every new certificate shall state the alteration in the partnership.

R.S.S. 1909, c.143, s.49; R.S.S. 1920, c.196,  
s.49.

**Individual using trade name**

**50** Every person engaged in business for trading, manufacturing or mining purposes and who is not associated in partnership with any other person or persons but who uses as his business style some name or designation other than his own name or who in such business uses his own name with the addition of "and company" or some other word or phrase indicating a plurality of members in the firm shall cause to be filed as aforesaid a certificate of the fact in writing signed by him.

R.S.S. 1909, c. 143, s. 50; R.S.S. 1920, c.196,  
s.50.

**Contents of individual certificate**

**51** The certificate mentioned in section 50 shall contain the name, surname, addition and residence of the person making the same and the name, style or firm under which he carries on or intends to carry on business and shall also state that no other person is associated with him in partnership and the same shall be published in *The Saskatchewan Gazette* and filed within six months from the time when such style is first used.

RS.S. 1909, c. 143, a. 51; 1913, c. 67, s. 21(2);  
R.S.S. 1920, c.196, s.51.

**Personnel of partnership named**

**52** Every such partnership and every such person, who uses as his business style some name or designation, other than his own name, or uses his own name with the addition of "and company," shall have the names of the members of such partnership, or the true name of such person, as the case may be, mentioned in legible characters in all notices, advertisements, and other official publications of such partnership or person, in all orders for money or goods purporting to be signed by or on behalf of such partnership or person and in all letterheads, bills of parcels, invoices and receipts of such partnership or person.

1915, c.43, s.23; R.S.S. 1920, c.196, s.52.

## REGISTRATION RECORDS

**Registration books**

**53** It shall be the duty of the registration clerk aforesaid to keep two alphabetical index books of all certificates of copartnership filed in his office in pursuance of the provisions hereof.

R.S.S 1909, c.143, s.52; R.S.S. 1920, c.196, s.53.

**Firm index book**

**54** In one of such books, hereinafter called the "firm index book," the registration clerk shall enter in alphabetical order the style of the respective firms in respect of which certificates have been filed in his office and shall place opposite each entry the names of the person or persons composing such firm and the date of the receipt by him of the certificate (form B).

R.S.S. 1909, c.143, s.53; R.S.S. 1920, c.196,  
s.54.

**Individual index book**

**55** In the second of such books hereinafter called the "individual index book" the said registration clerk shall enter in alphabetical order the names of the respective members of each of such firms and shall place opposite such entry the style of the firm of which such person is a member and the date of the receipt of the certificate (form C).

RS.S. 1909, c.143, s.54; R.S.S. 1920, c.196, s.55.

## PENALTY FOR NONREGISTRATION

**Failure to comply with Act**

**56** Each and every member of any partnership or other persons required to register a certificate under the provisions of this Act who fails to comply with the requirements aforesaid shall forfeit the sum of one hundred dollars to be recovered before any court of competent jurisdiction by any person suing as well on his own behalf as on behalf of His Majesty; and half of such penalty shall belong to the consolidated fund of the province and the other half to the party suing for the same unless the suit be brought as it may be by the Attorney General on behalf of His Majesty only in which case the whole of the penalty shall belong to the province.

R.S.S. 1909, c.143, s.55; R.S.S. 1920, c.196,  
s.56.

## EFFECT OF CERTIFICATE

**Binding effect of certificate**

**57** The allegations made in a certificate required under the provisions of this Act shall not be controverted by any person who has signed the same nor shall they be controverted as against any party not being a partner by a person who has not signed the same but who was really a member of the partnership therein mentioned at the time such certificate was made.

R.S.S. 1909, c.143, s.56; R.S.S. 1920, c.196,  
s.57.

**Liability of persons signing certificate**

**58** Until a new certificate is made and filed by him or by his copartners or any of them as aforesaid no person who has signed a certificate shall be deemed to have ceased to be a partner; but nothing herein contained shall exempt from liability any person who being a partner fails to certify the same in the manner provided and such person may notwithstanding such omission be sued jointly with the partners mentioned in the certificate or they may be sued alone and if judgment is recovered against them any other partner or partners may be sued jointly or severally in an action on the original cause of action upon which such judgment was rendered nor shall anything in this Act be construed to affect the rights of any partners with regard to each other except that no such certificates as aforesaid shall be controverted by any signer thereof.

R.S.S. 1909, c.143, s.57; R.S.S. 1920, c.196,  
s.58.

## CERTIFICATE OF DISSOLUTION

**Certificate of dissolution**

**59** Upon the dissolution of any partnership any or all of the persons who compose such partnership may sign and file a certificate certifying the dissolution of the partnership (form D).

R.S.S. 1909, c.143, s.55; R.S.S. 1920, c.196,  
s.59.

## LIMITED PARTNERSHIPS

**Formation**

**60** Limited partnerships for the transaction of any mercantile, mechanical, manufacturing or other business within Saskatchewan may be formed by two or more persons upon the terms, with the rights and powers and subject to the conditions and liabilities hereinafter mentioned.

R.S.S. 1909, c.143, s.59; R.S.S. 1920, c.196, s.60.

**Constitution**

**61** Such partnerships may consist of one or more persons who shall be called general partners; and of one or more persons who contribute in actual cash payments a specific sum as capital to the common stock who shall be called special partners.

R.S.S. 1909, c.143, s.60; R.S.S. 1920, c.196, s.61.

**Liability of special partners**

**62** General partners shall be jointly and severally responsible as general partners are by law but special partners shall not be liable for the debts of the partnership beyond the amounts by them contributed to the capital.

R.S.S. 1909, c.143, s.61; R.S.S. 1920, c.196, s.62.

**Powers of general partners**

**63** The general partners only shall be authorised to transact business and sign for the partnership and to bind the same.

R.S.S. 1909, c.143, s.62; R.S.S. 1920, c.196, s.63.

**Certificate signed**

**64** The persons desirous of forming such partnership shall make and severally sign a certificate which shall contain:

- (a) the name or firm under which the partnership is to be conducted;
- (b) the general nature of the business intended to be transacted;
- (c) the names of all the general and special partners interested therein distinguishing which are general and which are special partners and their usual places of residence;
- (d) the amount of capital which each special partner has contributed;
- (e) the period at which the partnership is to commence and the period at which it is to terminate.

R.S.S. 1909, c.143, s.63; R.S.S. 1920, c.196, s.64.

## PARTNERSHIP

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**Form**

**65** The certificate (form E) shall be signed by the several persons forming the partnership before a notary public who shall duly certify the same.

R.S.S. 1909, c.143, s.64; R.S.S. 1920, c.196, s.65.

**Filing**

**66** The certificate so signed shall be filed in the office of the registration clerk for the district in which their principal place of business is or is to be situate and the certificate shall be recorded by such clerk at full length in a book to be kept for that purpose and open to public inspection.

R.S.S. 1909, c.143, s.65; R.S.S. 1920, c.196, s.66.

**Partnerships not formed until certificate filed**

**67** No such partnership shall be deemed to have been formed until a certificate has been made, certified, filed and recorded as above directed; and if any false statement is made in such certificate all the persons interested in the partnership shall be liable for all the engagements thereof as general partners.

R.S.S. 1909, c.143, s.66; R.S.S. 1920, c.196, s.67.

**Certificate of continuance**

**68** Every renewal or continuance of a limited partnership beyond the time originally fixed for its duration shall be certified, filed and recorded in the manner herein required for its original formation; and every such partnership otherwise renewed or continued shall be deemed a general partnership.

R.S.S. 1909, c.143, s.67; R.S.S. 1920, c.196, s.68.

**Alterations deemed dissolution**

**69** Every alteration made in the names of the partners in the nature of the business or in the capital or shares thereof or in any other matter specified in the original certificate shall be deemed a dissolution of the partnership and every such partnership in any manner carried on after any such alteration has been made shall be deemed a general partnership unless renewed as a special partnership according to the provisions of section 68.

R.S.S. 1909, c.143, s.68; R.S.S. 1920, c.196, s.69.

**Firm name**

**70** The business of a limited partnership shall be conducted under a firm name in which the names of the general partners or some one of them only shall be used; and if the name of a special partner is used in such firm name with his privity he shall be deemed a general partner.

R.S.S. 1909, c.143, s.69; R.S.S. 1920, c.196, s.70.

**Liability of general partners**

**71** Actions in relation to the business of the partnership may be brought and conducted by and against the general partners in the same manner as if there were no special partner.

R.S.S. 1909, c.143, s.70; R.S.S. 1920, c.196, s.71.

**Restrictions upon stock of special partners**

**72** No part of the sum which a special partner has contributed to the capital shall be withdrawn by him or paid or transferred to him in the shape of dividends, profits or other wise at any time during the continuance of the partnership: but any partner may annually receive lawful interest on the sum so contributed by him if the payment of such interest does not reduce the original amount of the capital; and if after the payment of such interest any profits remain to be divided he may also receive his portion of such profits.

R.S.S. 1909, c.143, s.71; R.S.S. 1920, c.196, s.72.

**Special partner liable to refund**

**73** If it appears that by the payment of interest or profits to a special partner the original capital has been reduced the partner receiving the same shall be bound to restore the amount necessary to make good his share of the deficient capital with interest.

R.S.S. 1909, c.143, s.72; R.S.S. 1920, c.196, s.73.

**Privileges of special partners**

**74** A special partner may from time to time examine into the state and progress of the partnership concerns and may advise as to their management; but he shall not transact any business on account of the partnership nor be employed for that purpose as agent, attorney or otherwise; and if he interferes contrary to these provisions he shall be deemed a general partner.

R.S.S. 1909, c.143, s.73; R.S.S. 1920, c.196, s.74.

**General partners liable to account**

**75** The general partners shall be liable to account to each other and to the special partners for their management of the concern in like manner as other partners.

R.S.S. 1909, c.143, s.74; R.S.S. 1920, c.196, s.75.

**Creditors preferred to special partners**

**76** In case of the insolvency of the partnership no special partner shall under any circumstances be allowed to claim as creditor until the claims of all the other creditors of the partnership have been satisfied.

R.S.S. 1909, c.143, s.75; R.S.S. 1920, c.196, s.76.

## PARTNERSHIP

c. 196

**No premature dissolution without notice**

**77** No dissolution of a limited partnership by the acts of the parties shall take place previous to the time specified in the certificate of its formation or in the certificate of its renewal until a notice of such dissolution has been filed in the office in which the original certificate was recorded and has been published once in each week for three weeks in a newspaper published in the district where the partnership has its principal place of business and for the same time in *The Saskatchewan Gazette*.

R.S.S. 1909, c.142, s.76; R.S.S. 1920, c.196, s.77.

**Application of sections 2 to 59**

**78** The provisions of sections 2 to 59 shall, as regards limited partnerships, be subject to the special provisions herein contained regarding such partnerships.

R.S.S. 1909, c.143, s.77; R.S.S. 1920, c.196, s.78.

## SUPPLEMENTAL

**Rules of common law and equity**

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

R.S.S. 1909, c.143, s.78; R.S.S. 1920, c.196, s.79.

## REGISTRATION FEES

**Fees**

**80** For services under this Act each registration clerk shall be entitled to receive the following fees:

1. For filing each declaration including stamping duplicate original, if any, with registration stamp, 50 cents;
2. For searching in the firm index book, each firm, 25 cents;
3. For searching each name in the individual index book, 25 cents;
4. For each certificate, 25 cents;
5. For copies of documents with certificate thereof for every 100 words, 10 cents.

R.S.S. 1909, c.143, s.79; R.S.S. 1920, c.196, s.80.

SCHEDULE

FORM A  
(Section 48)

CERTIFICATE OF COPARTNERSHIP

Province of Saskatchewan. } We, \_\_\_\_\_  
of \_\_\_\_\_ in \_\_\_\_\_ (occupation) and \_\_\_\_\_ of \_\_\_\_\_  
\_\_\_\_\_ (occupation) hereby certify:

1. That we (have carried on and) intend to carry on trade and business as \_\_\_\_\_ at \_\_\_\_\_ in partnership under the \_\_\_\_\_ of \_\_\_\_\_ (or I or we) the undersigned of \_\_\_\_\_ in \_\_\_\_\_ hereby certify that I (or we) as \_\_\_\_\_ at \_\_\_\_\_ in partnership with \_\_\_\_\_ of \_\_\_\_\_ and \_\_\_\_\_ of \_\_\_\_\_ (as the case may be).

2. That the said partnership has subsisted since the day of \_\_\_\_\_ 19 \_\_\_\_\_.

3. And that we (or I or we) and the said \_\_\_\_\_ and \_\_\_\_\_ are and have been since the said day the only members of the said partnership.

Witness our hands at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_\_.

Note. The words in brackets should be used when the business has been carried on prior to the making of the certificate.

FORM B  
(Section 54)

FIRM INDEX BOOK

Style of Firm	Names of persons composing the firm and their residences	Date of filing declaration
John Smith & Co.....	John Smith, Moose Jaw..... Edward Ives, Regina.....	15 Sept., 1909
James Abbott & Son.....	James Abbott, Saskatoon..... George Abbott, Saskatoon.....	10 Sept., 1909
Bernard & Johnson.....	Arthur Bernard, Moosomin..... Alexander Johnson, Prince Albert.....	1 March, 1909

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FORM C

(Section 55)

INDIVIDUAL INDEX BOOK

Name of individual and residence	Style of firm of which a member	Date of filing declaration
Abbott, James, Saskatoon.....	James Abbott & Son.....	10 Sept., 1909
Abbott, George, Saskatoon.....	James Abbott & Son.....	do.
Bernard, Arthur, Moosomin...	Bernard & Johnson.....	1 March, 1909
Johnson, Alex, Prince Albert..	Bernard & Johnson.....	1 March, 1909

FORM D

(Section 59)

CERTIFICATE OF DISSOLUTION OF PARTNERSHIP

Province of Saskatchewan.



I, \_\_\_\_\_

formerly a member of the firm of \_\_\_\_\_ carrying on business as \_\_\_\_\_ at \_\_\_\_\_ in the \_\_\_\_\_ of \_\_\_\_\_ under the style of \_\_\_\_\_ do hereby certify that the said partnership was on the \_\_\_\_\_ day of \_\_\_\_\_ dissolved.

Witness my hand at \_\_\_\_\_ the \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_ .

A.B.

FORM E

(Section 65)

CERTIFICATE OF LIMITED PARTNERSHIP

We, the undersigned, do hereby certify that we have entered into copartnership under the style of firm of B. D. & Co. as (grocers and commission merchants) which firm consists of A.B. residing usually at \_\_\_\_\_ and C.D. residing usually at \_\_\_\_\_ as general partners; and E.F. residing usually at \_\_\_\_\_ and G.H. residing usually at \_\_\_\_\_ as special partners, the said E.F. having contributed \$ \_\_\_\_\_ and the said G.H. \$ \_\_\_\_\_ to the capital.

The said partnership commenced on the \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_\_ and terminates on the \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_\_.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_\_.

Signed in the presence of me  
L.M.,  
Notary Public.



(Signed) A.B.  
C.D.  
E.F.  
G.H.