



# Companies Act 1967

## 1967 CHAPTER 81

### PART IV

#### PARTNERSHIPS

**119 Exemption from prohibition imposed by section 429 of the Companies Act 1948 of the formation of banking partnerships with more than ten members.**

Section 429 of the Companies Act 1948 (which prohibits the formation of a company, association or partnership consisting of more than ten persons for the purpose of carrying on the business of banking unless it is registered as a company under the Companies Act 1948, or is formed in pursuance of some other Act, or of letters patent) shall not prohibit the formation of a partnership consisting of not more than twenty persons each of whom is for the time being authorised by the Board of Trade to be a member of a partnership formed for that purpose and consisting of not more than twenty persons.

**120 Exemptions from prohibition imposed by section 434 of the Companies Act 1948 of the formation of other partnerships with more than twenty members.**

- (1) Section 434 of the Companies Act 1948 (which prohibits the formation of a company, association or partnership consisting of more than twenty persons for the purpose of carrying on a business (other than the business of banking) for gain as therein mentioned unless it is registered as a company under the Companies Act 1948, or is formed in pursuance of some other Act or of letters patent, or is such a company as is therein mentioned working mines within the stannaries) shall not prohibit the formation—
- (a) for the purpose of carrying on practice as solicitors, of a partnership consisting of persons each of whom is a solicitor;
  - (b) for the purpose of carrying on practice as accountants, of a partnership consisting of persons each of whom falls within either paragraph (a) or paragraph (h) of section 161(1) of the Companies Act 1948 ;

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*Status: This is the original version (as it was originally enacted).*

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- (c) for the purpose of carrying on business as members of a recognised stock exchange, of a partnership consisting of persons each of whom is a member of that exchange.
- (2) The Board of Trade may by regulations made by statutory instrument provide that the said section 434 shall not apply to the formation (otherwise than as permitted by virtue of the foregoing subsection), for a purpose specified in the regulations, of a partnership of a description so specified.
- (3) In this section " recognised stock exchange " means any body of persons which is for the time being a recognised stock exchange for the purposes of the Prevention of Fraud (Investments) Act 1958, and " solicitor ", in relation to England and Wales, means solicitor of the Supreme Court, and, in relation to Scotland, means a person enrolled or deemed to have been enrolled as a solicitor in pursuance of the Solicitors (Scotland) Act 1933.

**121 Exemptions from prohibition imposed by section 4 of the Limited Partnerships Act 1907 of limited partnerships with more than twenty members.**

- (1) So much of section 4(2) of the Limited Partnerships Act 1907 as provides that a limited partnership (other than a partnership carrying on the business of banking) shall not consist of more than twenty persons shall not apply—
  - (a) to a partnership carrying on practice as solicitors and consisting of persons each of whom is a solicitor ;
  - (b) to a partnership carrying on practice as accountants and consisting of persons each of whom falls within either paragraph (a) or paragraph (b) of section 161(1) of the Companies Act 1948;
  - (c) to a partnership carrying on business as members of a recognised stock exchange and consisting of persons each of whom is a member of that exchange.
- (2) The Board of Trade may by regulations made by statutory instrument provide that so much of section 4(2) of the said Act of 1907 as provides that a limited partnership (other than a partnership carrying on the business of banking) shall not consist of more than twenty persons shall not apply to a partnership (other than one permitted by virtue of the foregoing subsection) carrying on business of a description specified in the regulations, being a partnership of a description so specified.
- (3) In this section " recognised stock exchange " and " solicitor " have the same meanings respectively as in the last foregoing section.

**122 Extent of Part IV.**

This Part of this Act shall not extend to Northern Ireland.