

Limited Partnerships Act 1907

1907 CHAPTER 24 7 Edw 7

[FIDuty to remove disqualified general partners

Textual Amendments

F1 S. 8J and cross-heading inserted (26.10.2023 but only so far as it confers a power to make regulations or relates to the exercise of the power, otherwise prosp.) by Economic Crime and Corporate Transparency Act 2023 (c. 56), ss. 118(3), 219(1)(2)(b)

8J Duty to remove disqualified general partners

- (1) The general partners in a limited partnership must take any steps that are necessary to ensure that any general partner in the limited partnership who is disqualified under the directors disqualification legislation (see subsection (3)) ceases to be a general partner.
- (2) Examples of the types of steps that the general partners might need to take include—
 - (a) enforcing any express or implied agreement between the partners;
 - (b) giving any notice, making any application or otherwise acting to dissolve the limited partnership.
- (3) A general partner in a limited partnership is "disqualified under the directors disqualification legislation" if—
 - (a) where the limited partnership is registered in England and Wales or Scotland, the general partner falls within any of the entries in the first column of Part 1 of the table in section 159A of the Companies Act 2006;
 - (b) where the limited partnership is registered in Northern Ireland, the general partner falls within any of the entries in the first column of Part 2 of that table.
- (4) Subsection (1) applies irrespective of whether the general partner concerned became disqualified under the directors disqualification legislation before or after this section comes into force.
- (5) If the general partners fail to comply with this section an offence is committed by each general partner who is in default.

Changes to legislation: There are currently no known outstanding effects for the Limited Partnerships Act 1907, Cross Heading: Duty to remove disqualified general partners. (See end of Document for details)

- (6) But where the general partner is a legal entity, it does not commit an offence as a general partner in default unless one of its managing officers is in default.
- (7) Where any such offence is committed by a general partner that is a legal entity, or any such offence is by virtue of this subsection committed by a managing officer that is a legal entity, any managing officer of the legal entity also commits the offence if—
 - (a) the managing officer is an individual who is in default, or
 - (b) the managing officer is a legal entity that is in default and one of its managing officers is in default.
- (8) A person guilty of an offence under this section is liable on summary conviction—
 - (a) in England and Wales, to a fine;
 - (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale.
- (9) A general partner or managing officer is "in default" for the purposes of this section if they authorise or permit, participate in, or fail to take all reasonable steps to prevent, the contravention.]

Changes to legislation:

There are currently no known outstanding effects for the Limited Partnerships Act 1907, Cross Heading: Duty to remove disqualified general partners.