ANNO TRICESIMO

VICTORIÆ REGINÆ.

No. V.

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An Act to amend the Law of Partnership.

[12th July, 1866.

WHEREAS it is expedient to amend the Law relating to Partnership, Be it therefore enacted by the Governor, by and with the Advice and Consent of the Legislative Council and Assembly of Vancouver Island and its Dependencies, as follows:

Advance of Money on Contract to receive a share of Profits not to make Lender a Partner.

I The Advance of Money by way of Loan to a 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 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.

Remuneration of Agents, etc., by share of Profits not to make them Partners.

II. 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.

Certain Annuitants not to be deemed Partners.

III. No Person being 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.

Receipts of Profits in consideration of sale of Goodwill not to make the Seller a Partner.

IV. 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.

In case of Bankruptcy, etc Lender not to rank with other creditors.

V. In the Event of any such Trader aforesaid being adjudged a Bankrupt, or taking the Benefit of any Act for the Relief of Insolvent Debtors, or entering into an Arrangement to pay his Creditors less than One Hundred Cents in the Dollar, 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 in Money or Money's worth have been satisfied.

Interpretation of "person."

VI. In the Construction of this Act the word "Person" shall include a Partnership Firm, a Joint-stock Company, and a Corporation.

Short Title.

VII. This Act may be cited for all Purposes as "The Partnership Act, 1866."

Passed the Legislative Assembly this Eleventh Day of January, 1866.

R. W. TORRENS,
CLERK OF THE HOUSE.

Passed the Legislative Council this Seventh Day of June, 1866.

E. J. NESBITT,
CLERK OF THE COUNCIL.

I assent to this Act in the Name and on Behalf of Her Majesty, this Twelfth Day of July, 1866.

A. E. KENNEDY,
GOVERNOR.

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