



ST. CHRISTOPHER AND NEVIS

CHAPTER 21.12

LIMITED PARTNERSHIPS ACT and Subsidiary Legislation

Revised Edition

showing the law as at 31 December 2020

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LIMITED PARTNERSHIPS ACT

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CHAPTER 21.12

LIMITED PARTNERSHIPS ACT

AN ACT TO MAKE PROVISION FOR THE ESTABLISHMENT, REGULATION AND DISSOLUTION OF LIMITED PARTNERSHIPS; AND GENERALLY TO PROVIDE FOR RELATED OR INCIDENTAL MATTERS.

PART I

PRELIMINARY

Short title.

1. This Act may be cited as the Limited Partnerships Act.

Interpretation.

2. (1) In this Act, unless the context otherwise requires—

“annual statement” means the statement to be made by a limited partnership under section 22;

“auditor” means a person who is qualified as an accountant by examination conducted by one of the institutes of Chartered Accountants or Certified Accountants in England and Wales, Ireland or Scotland, the Canadian Institute of Chartered Accountants or the American Institute of Certified Public Accountants and is a practising member in good standing of one of those institutes or is otherwise approved by any supervisory body of the accounting profession recognised under the law of the Federation;

“bankruptcy” includes any proceedings of a similar nature in a place outside the Federation;

“body corporate” includes a body corporate wherever or however incorporated, other than a corporate sole;

“business” includes any trade, occupation or profession;

“Court” means the Eastern Caribbean Supreme Court or any Court with similar jurisdiction established in succession to that Court;

“currency” includes foreign currency and any other means of exchange that may be prescribed;

“declaration” means the declaration delivered to the Registrar under section 5 and includes all amendments made to the declaration;

“document” includes summons, notice, statement, return, account, order, and other legal process, and registers;

“exempt limited partnership” means a limited partnership the partners of which are exempt from taxes under subsection (1) of section 62;

“Federation” means the Federation of Saint Christopher and Nevis;

“general partner” means a person who is named as such in the declaration and if more than one shall mean each general partner;

- “interdict” means a person in respect of whom a curator has been appointed by any court having jurisdiction (whether in the Federation or elsewhere) in matters concerning mental disorder;
- “lawyer” means a barrister or solicitor of the Court;
- “limited partner” means a person who is named as such in the Register kept under section 21 and if more than one shall mean each limited partner;
- “limited partnership” means a limited partnership established in accordance with this Act;
- “Minister” means the Minister responsible for finance;
- “minor” means a person who under the law of the Federation or under the law of his or her domicile has not reached the age of legal capacity;
- “Order” means an Order made by the Minister;
- “ordinary limited partnership” means a limited partnership which is not an exempt limited partnership;
- “partner” means a limited partner or a general partner;
- “partnership agreement” means any agreement in writing of the partners as to the affairs of a limited partnership and the rights and obligations of the partners among themselves;
- “partnership interest” means a partner’s share of the profits and losses of a limited partnership and the right to receive distributions of partnership assets and other benefits conferred by the partnership agreement;
- “prescribed” means prescribed by Order;
- “prospectus” has the meaning assigned to it by paragraph (a) of subsection (5) of section 33;
- “records” means documents and other records however stored;
- “Registrar” means the Registrar of limited partnerships appointed pursuant to section 52 and “his or her seal” in relation to the Registrar means a seal prepared under that section;
- “securities” includes any certificate or other instrument representing the right to any unit;
- “unit” has the meaning assigned to it by paragraph (b) of subsection (5) of section 33;
- “year” means a calendar year.

(2) A reference in this Act to a section by number only, and without further identification, is a reference to the section of that number contained in this Act.

(3) A reference in a section or other division of this Act to a subsection or paragraph or sub-paragraph by number or letter only, and without further identification, is a reference to the subsection or paragraph or sub-paragraph of that number or letter contained in the section or other division of this Act in which that reference occurs.

(4) A reference in this Act to an enactment is a reference to that enactment as amended, and includes a reference to that enactment as extended or applied by or under any other enactment, including any other provision of that enactment.

(5) A reference to dollars in this Act is a reference to the currency of the Eastern Caribbean Central Bank.

Meaning of “insolvent” and “solvent”

3. For the purposes of this Act, a limited partnership is insolvent when the general partner is unable to discharge the debts and obligations of the limited partnership (excluding liabilities to partners in respect of their partnership interests) as they fall due out of the assets of the limited partnership without recourse to the separate assets of a general partner not contributed to the limited partnership, and “solvent” shall be construed accordingly.

PART II

FORMATION AND ESTABLISHMENT OF LIMITED PARTNERSHIPS

Formation of limited partnership.

4. (1) Any two or more persons (none of whom is a minor or an interdict or a bankrupt) associated for a lawful purpose may form a limited partnership.

(2) A limited partnership shall consist of—

- (a) one or more persons who are general partners; and
- (b) one or more persons who are limited partners.

(3) A body corporate may be a general or a limited partner and a person may be a general partner as well as a limited partner at the same time in the same limited partnership.

(4) An association of persons (whether or not purporting to confer limited liability on one or more of their number) shall not be a limited partnership until the requirements of subsection (2) have been satisfied and the Registrar has issued a certificate under subsection (2) of section 7.

Declaration of formation of limited partnership.

5. (1) Any of the general partners of a limited partnership or a person acting on their behalf may, on delivering to the Registrar a declaration and on payment of the prescribed registration fee, apply for the registration of the declaration under this Act.

(2) A declaration delivered to the Registrar under subsection (1) shall be in the English language, shall be printed and shall state—

- (a) the name by which the limited partnership is to be referred;
- (b) the term, if any, for which the limited partnership is to exist or, if for unlimited duration, a statement to that effect; and
- (c) the full name and address of each general partner who is an individual, or in the case of a body corporate its full name, the place where it is incorporated and the address of its registered or principal office.

(3) The declaration shall be signed by each person who is, on the formation of the limited partnership, to be a general partner.

Documents to be delivered to the Registrar.

6. (1) With the declaration there shall be delivered to the Registrar a statement signed by or on behalf of the general partners setting out—

- (a) the limited partnership’s name and the address of its office for service;

- (b) whether the limited partnership is an ordinary or an exempt limited partnership;
- (c) the nature of the businesses to be carried out by the limited partnership;
- (d) in the case of an exempt limited partnership, an undertaking that the general partners of the limited partnership will forthwith notify the Minister by notice in writing if the limited partnership should no longer qualify as an exempt limited partnership; and
- (e) any other prescribed particulars.

(2) Where a declaration is delivered by a person as agent for the general partners, the statement shall specify that fact and the person's name and address.

Registration of declaration.

7. (1) If the Registrar is satisfied that all requirements of this Act in respect of the registration of a declaration have been complied with, he or she shall register the declaration delivered to him or her under section 5.

(2) On the registration of a declaration, the Registrar shall—

- (a) allocate a registration number to the declaration in accordance with section 54; and
- (b) give a certificate of registration in respect of the declaration stating—
 - (i) the name of the limited partnership;
 - (ii) the registration number of its declaration; and
 - (iii) the date of the registration of its declaration.

(3) Every certificate of registration shall be signed by the Registrar and sealed with his or her seal.

(4) A certificate of registration is conclusive evidence of the registration of the declaration.

Amendment of declaration.

8. (1) If during the continuance of a limited partnership any change is made or occurs in any of the particulars delivered pursuant to section 5, a statement signed by a general partner, specifying the nature of the change shall, within twenty-one days, be delivered to the Registrar.

(2) On the registration of a statement under this section the Registrar shall issue a certificate to that effect.

(3) The certificate shall be signed by the Registrar and sealed with his or her seal.

(4) If default is made in compliance with subsection (1) of this section every general partner who is in default commits an offence and is liable to a fine not exceeding two thousand five hundred dollars and in the case of a continuing offence to a further fine not exceeding two hundred and fifty dollars for each day on which the offence so continues.

Names.

9. (1) The name of each limited partnership shall end with the words “Limited Partnership” in full or the abbreviation “L.P.”.

(2) The surname of a limited partner shall not appear in the name of the limited partnership unless it is also the surname of one of the general partners or the limited partnership has been carried on under that name before the admission of that partner as a limited partner.

(3) The corporate name or a significant part of the corporate name of a limited partner shall not appear in the name of a limited partnership unless it is also the corporate name or a significant part of the corporate name of one of the general partners or the limited partnership has been carried on under that name before the admission of that corporate partner as a limited partner.

(4) A limited partner whose surname or corporate name appears in the name of the limited partnership contrary to subsection (2) or (3) is liable as a general partner to any creditor of the limited partnership who has extended credit without actual knowledge that the limited partner is not a general partner.

(5) The Registrar may refuse to register—

(a) a declaration; or

(b) a statement under subsection (1) of section 8 changing the name of a limited partnership,

where the name to be registered is in his or her opinion in any way misleading or otherwise undesirable.

PART III**RIGHTS AND OBLIGATIONS OF PARTNERS****Rights and obligations of general partner.**

10. (1) A general partner in a limited partnership has all the rights and powers and is subject to all the restrictions and liabilities of a partner in a partnership without limited partners except that, without written consent or ratification by all the limited partners, a general partner has no authority to—

(a) do an act which makes it impossible to carry on the activities of the limited partnership;

(b) possess limited partnership property, or dispose of any rights in limited partnership property, for other than a partnership purpose; or

(c) admit a person as a general partner or admit a person as a limited partner, unless the right to do so is given in the partnership agreement.

(2) Any property of a limited partnership which is transferred to or vested in or held on behalf of any one or more of the general partners or which is transferred into or vested in the name of the limited partnership shall be held or deemed to be held by the general partner, or, if more than one, by the general partners jointly, as an asset of the limited partnership in accordance with the terms of the partnership agreement.

(3) Any debt or obligation incurred by a general partner in the conduct of the activities of a limited partnership shall be a debt or obligation of the limited partnership.

Enforcement of judgements against property of limited partnership.

11. (1) Subject to subsection (3), no judgement shall be enforced against any property of a limited partnership unless such judgement has been granted against a general partner in his or her capacity as a general partner of that limited partnership.

(2) Creditors of a general partner or a limited partner, in that partner's capacity other than as a general partner or a limited partner of the limited partnership, shall have no claim against the property of that limited partnership.

(3) Nothing in subsection (1) shall preclude the enforcement of an order of the Court relating to property of a limited partnership in any case where, by reason of any of the events mentioned in paragraph (a) or (b) of subsection (1) of section 29, a judgement could not be granted against a general partner in his or her capacity as a general partner of that limited partnership.

Rights of limited partner.

12. (1) A limited partner has the same right as a general partner—

- (a) during business hours, to inspect and make copies of or take extracts from the limited partnership books and records at all times;
- (b) to be given, on demand, true and full information of all things affecting the limited partnership and to be given a formal account of partnership affairs whenever circumstances render it just and reasonable.

(2) A limited partner shall not be entitled to dissolve the limited partnership by notice.

(3) Subject to any provision, express or implied, of the partnership agreement to the contrary, a limited partnership shall not be dissolved by the death, legal incapacity, bankruptcy, retirement or withdrawal from the limited partnership of a limited partner who is an individual, or in the case of a body corporate, its dissolution, bankruptcy or withdrawal from the limited partnership.

Share of profits.

13. (1) A limited partner has, subject to this Act and the partnership agreement, the right to a share of the profits of the limited partnership.

(2) A limited partner may receive from the limited partnership the share of the profits stipulated for in the partnership agreement only if, at the time when and immediately after payment is made, the limited partnership is solvent.

(3) For a period of six months from the date of receipt by a limited partner of any payment representing a share of the profits of the limited partnership in circumstances where the requirements of subsection (2) have not been met, such payment shall be repayable by such limited partner with interest at the prescribed rate to the extent that such share of the profits is necessary to discharge a debt or obligation of the limited partnership incurred during the period that the share of the profits represented an asset of the limited partnership.

Dealings by limited partner with partnership.

14. (1) A limited partner may lend money to, borrow money from, and enter into transactions with the limited partnership.

(2) Except where the limited partner is also a general partner, a limited partner having, with respect to anything done under subsection (1), a claim against the assets of the limited partnership shall rank as a creditor of the limited partnership in respect of such claim.

(3) For the purposes of this section, a claim described in subsection (2) does not include a claim for a return of capital contributions.

Limited partners' rights as between themselves.

15. (1) Subject to subsection (2), limited partners, in relation to one another, shall rank—

- (a) *pari passu* in respect of the return of their contributions; and
- (b) *pro rata* to those contributions in respect of profits.

(2) Where there is more than one limited partner, the partnership agreement may provide that one or more of the limited partners is to have greater rights than the other limited partners as to—

- (a) the return of contributions;
- (b) profits; or
- (c) any other matter.

Return of limited partner's contribution.

16. (1) A limited partner shall not, on dissolution or otherwise, receive out of the capital of the limited partnership a payment representing a return of any part of his or her contribution to the partnership unless at the time of and immediately following such payment the limited partnership is solvent.

(2) For a period of six months from the date of receipt by a limited partner of any payment representing a return of contribution or part thereof received by such limited partner in circumstances where the requirements of subsection (1) have not been met, such payment shall be repayable by such limited partner with interest at the prescribed rate to the extent that such contribution or part thereof is necessary to discharge a debt or obligation of the limited partnership incurred during the period that the contribution represented an asset of the limited partnership.

- (3) Except—
- (a) as provided in subsection (2); or
 - (b) in the case of fraud,

a limited partner shall not be liable to repay any payment representing a return of his or her contribution or part thereof.

(4) Subject to subsections (1) and (2), a limited partner may demand payment representing the return of all or part of his or her contribution—

- (a) on the dissolution of the limited partnership;
- (b) at the time specified in the partnership agreement for its return; or

(c) after he or she has given six months' notice in writing to all other partners, if no time is specified in the partnership agreement either for the return of the contribution or for the dissolution of the limited partnership.

(5) A limited partner has, notwithstanding the nature of his or her contribution, only the right to demand and receive money in return for it, unless—

(a) there is a statement to the contrary in the partnership agreement; or

(b) all the partners consent to some other manner of returning the contribution.

(6) In this section, “payment” includes the release of any obligation forming part of the capital contribution, and any liability to make repayments pursuant to subsection (2) shall be construed accordingly.

Limited partner's liability to partnership.

17. (1) A limited partner is liable to the limited partnership for the difference, if any, between the value of money or other property contributed by him or her to the limited partnership and the value of money or other property specified in the records kept under subsection (4) of section 21 to be contributed by him or her to the limited partnership.

(2) Any contribution to be made by a limited partner to a limited partnership may be money, in any currency, any other property, or services.

Limited partner's liability to creditors.

18. (1) Except as provided in this Act, a limited partner is not liable for the debts or obligations of the limited partnership.

(2) A limited partner is not liable as a general partner unless he or she participates in the management of the limited partnership.

(3) Subject to subsection (4), if a limited partner participates in the management of the limited partnership in its dealings with persons who are not partners, that limited partner shall be liable in the event of the insolvency of the limited partnership for all debts and obligations of the limited partnership incurred during the period that he or she participated in the management of the limited partnership as though he or she were for that period a general partner.

(4) A limited partner shall be liable under subsection (3) only to a person who transacts with the limited partnership with actual knowledge of the participation of the limited partner in the management of the limited partnership and who then reasonably believed the limited partner to be a general partner.

(5) A limited partner does not participate in the management of a limited partnership within the meaning of this section by doing one or more of the following—

(a) being a contractor for or an agent or employee of the limited partnership or of a general partner or acting as a director, officer or shareholder of a corporate general partner;

(b) consulting with and advising a general partner with respect to the activities of the limited partnership;

- (c) investigating, reviewing, approving or being advised as to the accounts or affairs of the limited partnership or exercising any right conferred by this Act;
- (d) acting as surety or guarantor for the limited partnership either generally or in respect of specific obligations;
- (e) approving or disapproving an amendment to the partnership agreement; or
- (f) voting on, or otherwise signifying approval or disapproval of, one or more of the following—
 - (i) the dissolution and winding-up of the limited partnership;
 - (ii) the purchase, sale, exchange, lease, pledge, hypothecation, creation of a security interest, or other dealing in any asset by or of the limited partnership;
 - (iii) the creation or renewal of an obligation by the limited partnership;
 - (iv) a change in the nature of the activities of the limited partnership;
 - (v) the admission, removal or withdrawal of a general or a limited partner and the continuation of the limited partnership thereafter;
 - (vi) transactions in which one or more of the general partners have an actual or potential conflict of interest with one or more of the limited partners; or
 - (vii) bringing an action on behalf of the limited partnership pursuant to subsection (3) of section 25.

(6) Subsection (5) shall not import any implication that the possession or exercise of any other power by a limited partner will necessarily constitute the participation by such limited partner in the management of the limited partnership.

Admission of additional limited partners.

19. An additional limited partner shall not be admitted to a limited partnership except in accordance with the partnership agreement and by entry in the register under paragraph (a) of subsection (4) of section 21.

Assignments.

20. (1) A limited partner shall not assign his or her interest, in whole or in part, in the limited partnership unless—

- (a) all the limited partners and all the general partners consent or the partnership agreement permits it; and
- (b) the assignment is made in accordance with the terms of the consent or the partnership agreement, as the case may be.

(2) An assignee of the interest, in whole or in part, of a limited partner does not become a limited partner in the limited partnership until his or her ownership of the assigned interest is entered in the register referred to in paragraph (a) of subsection (4) of section 21, and until so entered he or she has none of the rights of a limited partner exercisable against the partnership or against any of the partners other than the assignor.

(3) Subject to subsection (4), on becoming a limited partner, an assignee acquires the rights and powers and is subject to all the restrictions and liabilities that

his or her assignor had in respect of the assigned interest immediately before the assignment.

(4) On becoming a limited partner an assignee shall not assume any liability of the assignor arising under subsection (3) of section 13, subsection (2) of section 16 or subsection (3) of section 18 and, notwithstanding any term of the partnership agreement or any other agreement to the contrary, no such assignment shall relieve the assignor of any liability under those paragraphs.

PART IV

ADMINISTRATION

Office for service.

21. (1) A limited partnership shall have an office for service in the Federation.

(2) The general partners of a limited partnership may change the address of its office for service from time to time by giving notice to the Registrar.

(3) The change shall take effect on the notice being registered by the Registrar, but until the end of the period of fourteen days beginning on the date on which it is registered, a person may validly serve any document on the limited partnership at its previous office for service.

(4) The general partners of a limited partnership shall keep at its office for service—

(a) a register showing in alphabetical order for each limited partner—

(i) the full name and address of each limited partner who is an individual, or in the case of a body corporate its full name, the place where it is incorporated and the address of its registered or principal office;

(ii) where the participation by limited partners is defined by percentage interests or by the number of units or other similar rights held by them, the percentage interest or the number and class of units or other rights held;

(iii) a statement of the amount of any contributions agreed to be made by the limited partner and the time at which, or events on the happening of which, the contributions are to be made;

(iv) a statement of the amount of money and nature and value of any other property contributed by the limited partner and the dates thereof;

(v) a statement of the amount of contributions returned to the limited partner and the dates thereof;

(b) a copy of the declaration and each amendment made to it;

(c) a copy of the partnership agreement and each amendment made to it;

(d) a copy of each annual statement required to be given to the Registrar pursuant to section 22; and

(e) such other particulars as may be prescribed.

(5) The records kept under subsection (4) shall be—

- (a) *prima facie* evidence of the particulars which are by that subsection directed to be contained therein;
- (b) amended within twenty-one days of any change in the particulars contained therein;
- (c) available for inspection and copying without charge during ordinary business hours at the request of a partner.

(6) If default is made in compliance with this section every general partner who is in default commits an offence and liable to a fine not exceeding two thousand five hundred dollars and in the case of a continuing offence to a further fine not exceeding two hundred and fifty dollars for each day on which the offence so continues.

Annual statement.

22. (1) The general partners of every limited partnership shall, in every year before the end of the month next following the month in which the anniversary date of the registration of its declaration falls—

- (a) complete an annual statement containing information current as at the anniversary date of the registration of its declaration in that year;
- (b) deliver to the Registrar a copy of the statement signed by each of the general partners of the limited partnership together with the prescribed filing fee; and
- (c) file a copy of the statement delivered to the Registrar in a register kept by them for the purpose.

(2) The general partners of a limited partnership shall state in its annual statement—

- (a) the limited partnership's name and the address of its office for service;
- (b) whether the limited partnership is an ordinary or an exempt limited partnership;
- (c) the nature of the businesses carried out by the limited partnership;
- (d) the full name and address of each general partner who is an individual, or in the case of a body corporate its full name, the place where it is incorporated and the address of its registered or principal office;
- (e) in the case of an exempt limited partnership, an undertaking that the general partners of the limited partnership will forthwith notify the Minister by notice in writing if the limited partnership should no longer qualify as an exempt limited partnership;
(Amended by Act 9 of 2019)
- (f) that the information contained in the statement is current as at the anniversary date of its registration in the year in which it is required to be delivered; and
(Amended by Act 9 of 2019)
- (g) the identifying particulars with respect to all general partners and limited partners who are individuals and who have beneficial ownership interest in the limited partnership.
(Inserted by Act 9 of 2019)

(3) The Minister may, in his or her discretion, by written notice to a general partner of a limited partnership direct that the general partner of the limited partnership shall submit together with its annual statement such information, declaration and verification as are specified in the direction and the Minister may at any time withdraw or amend the terms of any such direction.

(4) If default is made in compliance with subsection (1) or (2)—

- (a) every general partner who is in default commits an offence and liable to a fine not exceeding four times the prescribed filing fee and in the case of an offence under paragraph (b) of subsection (1), is liable to a fine not exceeding one half of the prescribed filing fee for each day the offence is permitted to continue; and
- (b) the registration of the declaration may be cancelled in accordance with section 61, the provisions of which shall apply accordingly.

Service of documents.

23. For the purposes of this Act, a document may be served on a general partner in respect of a limited partnership—

- (a) by leaving it at, or sending it by post to, the office for service of the limited partnership; or
- (b) in accordance with subsection (3) of section 21; or
- (c) by delivering it to the general partner.

Authority to sign.

24. Where a general partner executes a document on behalf of the limited partnership, it shall be conclusively presumed in favour of any person who is not a general partner that—

- (a) the general partner has the authority under which he or she purports to act; and
- (b) the executed document has been validly executed.

Legal proceedings.

25. (1) Except as provided in this Act, legal proceedings by or against a limited partnership shall be instituted by or against any one or more of the general partners only and no limited partner shall be a party to or named in such proceedings.

(2) A general partner or, with the leave of the Court, any other person shall have the right to join or otherwise institute proceedings against one or more of the limited partners who may be liable to the limited partnership pursuant to—

- (a) subsection (3) of section 13;
- (b) subsection (2) of section 16;
- (c) section 17; or
- (d) subsection (3) of section 18.

(3) A limited partner may bring an action on behalf of a limited partnership if any one or more of the general partners with authority to do so have, without good cause, refused to institute such proceedings.

Accounts and audit.

26. (1) The general partners of every limited partnership shall keep accounting records, for a period of at least five years, which—

- (a) are sufficient to show and explain their transactions in respect of the limited partnership;
- (b) are such as to disclose with reasonable accuracy at any time the financial position of the limited partnership;
- (c) allow for the preparation of financial statements; and
- (d) are to include underlying documentation and must be kept to reflect details of—
 - (i) all sums of money received and expended and the matters in respect of which the receipt and expenditure takes place;
 - (ii) all sales and purchases and other transactions; and
 - (iii) the assets and liabilities of the relevant entity or arrangements.

(Substituted by Act 5 of 2011)

(2) Unless the partnership agreement otherwise provides, it shall not be necessary for the general partners of a limited partnership to appoint an auditor to audit their accounts in respect of the limited partnership.

(3) If default is made in compliance with this section every general partner who is in default commits an offence and liable to a fine not exceeding two thousand five hundred dollars.

PART V**WINDING-UP OF LIMITED PARTNERSHIP****Statement of dissolution.**

27. (1) Except as provided in sections 29 and 30, a limited partnership shall not be dissolved by an act of the partners until a statement of dissolution signed by a general partner has been delivered by him or her to the Registrar.

(2) When a statement of dissolution is delivered to the Registrar he or she shall cancel the registration of the declaration.

(3) If default is made in compliance with this section every general partner who is in default commits an offence and is liable to a fine not exceeding two thousand five hundred dollars.

Winding-up of limited partnership.

28. In the event of the dissolution of a limited partnership its affairs shall be wound-up by the general partners unless the activities of the limited partnership are taken over and continued in accordance with subsection (2) of section 29 or unless the Court otherwise directs under subsection (2) of section 30.

Dissolution of partnership on death etc. of general partner.

29. (1) Notwithstanding any provision, express or implied, of the partnership agreement to the contrary, but subject to subsection (2)—

- (a) where the sole or last remaining general partner is an individual, his or her death, legal incapacity, bankruptcy, retirement or withdrawal from the limited partnership; or
- (b) where the sole or last remaining general partner is a body corporate, its dissolution, bankruptcy or withdrawal from the limited partnership,

shall cause the immediate dissolution of the limited partnership which shall forthwith be wound-up in accordance with the partnership agreement, or on the application of a limited partner or a creditor of the limited partnership, in accordance with the directions of the Court.

(2) A limited partnership shall not be required to be wound-up under subsection (1) if, within ninety days of the dissolution, the limited partners, either unanimously or as otherwise provided for in the partnership agreement, elect one or more general partners, in which event the limited partnership shall be deemed not to have been dissolved and the activities of the limited partnership may be taken over and continued as provided for in the partnership agreement or a subsequent agreement.

(3) If a limited partnership is dissolved under subsection (1), and the activities of the limited partnership are not taken over and continued in accordance with subsection (2), a statement of dissolution signed by a limited partner shall be delivered by him or her to the Registrar who shall thereupon cancel the registration of the declaration.

Power of Court to order dissolution.

30. (1) The Court may, on the application of a partner, order the dissolution of a limited partnership if it is satisfied that—

- (a) the limited partnership is being conducted in a manner calculated or likely to affect prejudicially the carrying out of the activities of the limited partnership;
- (b) the limited partnership is being conducted in a manner oppressive to one or more of the limited partners; or
- (c) circumstances have arisen which render it just and equitable that the limited partnership be dissolved.

(2) Where an order is made under subsection (1) the Court may give such directions as it thinks fit as to the winding up of the limited partnership.

(3) When a limited partnership has been dissolved under this section the partner making the application shall cause the relevant act of the Court to be delivered to the Registrar within twenty-one days after the making of the order and the Registrar shall thereupon cancel the registration of the declaration.

Order for compliance.

31. (1) Where a person who is required by this Act to sign, deliver or permit inspection or copying of a document refuses to do so, a person who is aggrieved by the refusal may apply to the Court for an order directing the person to comply with the provisions of this Act and upon such application the Court may make such order or any other order it considers appropriate in the circumstances.

(2) An application may be made under subsection (1) notwithstanding the imposition of a penalty in respect of the refusal and in addition to any other rights the applicant may have at law.

Settling accounts on dissolution.

32. (1) Where accounts are settled after the dissolution of a limited partnership, the liabilities of the partnership to creditors, except to—

- (a) limited partners on account of their contributions or profits; and
- (b) to general partners,

shall be paid first and then in accordance with subsection (2).

(2) Subject to the partnership agreement or to a subsequent agreement, the other liabilities of the partnership shall be paid in the following order—

- (a) to general partners other than for capital and profits;
- (b) to limited partners in respect of the capital of their contributions;
- (c) to limited partners in respect of their share of the profits on their contributions;
- (d) to general partners in respect of capital;
- (e) to general partners in respect of profits.

PART VI**PROSPECTUSES****Prospectuses.**

33. (1) This Part applies to a limited partnership which is inviting or deemed to be inviting the public to acquire or apply for any units.

(2) The Minister may, by Order, prohibit either of the following, except in circumstances and subject to conditions specified in the Order—

- (a) the circulation of a prospectus in the Federation;
- (b) the circulation of a prospectus, in the Federation or elsewhere, in respect of a limited partnership.

(3) Such Order may provide—

- (a) for prospectuses—
 - (i) to be filed with, or filed and approved by, the Minister;
 - (ii) to contain such further information as is necessary to give investors an informed assessment of any investment proposed in the prospectus;
 - (iii) to comply with such other requirements as may be specified in the Order;
- (b) for any other matter required to carry the Order into effect.

(4) Any person who fails to comply with any provision of any such Order and, where the offence is committed by a limited partnership, every general partner of it who is in default commits an offence and liable to a fine not exceeding two thousand five hundred dollars.

(5) In this Part—

- (a) “prospectus” means an invitation to the public to acquire or apply for any units; and
- (b) “unit” means any material representation of the rights of investors with regard to the assets of a limited partnership whether such rights are represented—
 - (i) by securities issued in respect of the limited partnership;
 - (ii) by the entry of names of investors (whether as limited partners or otherwise) in a register kept in relation to the limited partnership; or
 - (iii) by any other means.
- (6) For the purposes of this section—
 - (a) an invitation is made to the public where it is not addressed exclusively to a restricted circle of persons; and
 - (b) an invitation shall not be considered to be addressed to a restricted circle of persons unless—
 - (i) the invitation is addressed to an identifiable category of persons to whom it is directly communicated by the inviter or his or her agent;
 - (ii) the members of that category are the only persons who may accept the offer and they are in possession of sufficient information to be able to make a reasonable evaluation of the invitation; and
 - (iii) the number of persons in the Federation or elsewhere to whom the invitation is so communicated does not exceed 50.
- (7) An invitation to the public to acquire or apply for units issued in respect of a limited partnership shall, if the units are not fully paid or if the invitation is first circulated within six months after the units were allotted, be deemed to be a prospectus circulated in respect of the limited partnership unless it is shown that the units were not allotted with a view to their being the subject of such an invitation.

Compensation for misleading statements in prospectus.

- 34.** (1) A person who acquires or agrees to acquire a unit to which a prospectus relates and suffers a loss in respect of the unit as a result of the inclusion in the prospectus of a statement of a material fact which is untrue or misleading, or the omission from it of the statement of a material fact, shall, subject to section 35, be entitled to damages for loss suffered—
- (a) in the case of units offered for subscription, from each person who was a general partner of the limited partnership when the prospectus was circulated;
 - (b) in the case of units offered otherwise than for subscription, from the person making the offer and, where that person is a general partner of a limited partnership, from each person who was a general partner of it when the prospectus was circulated;
 - (c) from each person who is stated in the prospectus as accepting responsibility for the prospectus, or any part of it, but, in that case, only in respect of a statement made in or omitted from that part; and

(d) from each person who has authorised the contents of, or any part of, the prospectus.

(2) Nothing in this section shall make a person responsible by reason only of giving advice as to the contents of a prospectus in a professional capacity.

(3) This section does not affect any liability which any person may incur apart from this section.

Exemption from liability to pay compensation.

35. A person shall not be liable under section 34 if he or she satisfies the Court—

- (a) that the prospectus was circulated without his or her consent;
- (b) that, having made such inquiries (if any) as were reasonable, from the circulation of the prospectus until the units were acquired, he or she reasonably believed that the statement was true and not misleading or that the matter omitted was properly omitted;
- (c) that, after the circulation of the prospectus and before the units were acquired he or she, on becoming aware of the untrue or misleading statement or of the omission of the statement of a material fact, took reasonable steps to secure that a correction was brought to the notice of persons likely to acquire the units;
- (d) in the case of a loss caused by a statement purporting to be made by a person whose qualifications give authority to a statement made by him or her which was included in the prospectus with his or her consent, that when the prospectus was circulated he or she reasonably believed that the person purporting to make the statement was competent to do so and had consented to its inclusion in the prospectus; or
- (e) that the person suffering the loss acquired or agreed to acquire the units knowing that the statement was untrue or misleading or that the matter in question was omitted.

Recovery of compensation.

36. (1) A person is not debarred from obtaining compensation from a limited partnership by reason only of his or her holding or having held units in the limited partnership or any right to apply compensation, or subscribe for units in the limited partnership or to be included in the register of limited partners in respect of units.

(2) A sum due from a limited partnership to a person who has acquired or agreed to acquire units in the limited partnership being a sum due as compensation for loss suffered by him or her in respect of the units, shall (whether or not the limited partnership is being wound up and whether the sum is due under section 34 or otherwise) be treated as a sum due to him or her otherwise than in his or her character of a limited partner.

Criminal liability for misleading statements.

37. If a prospectus is circulated with a material statement in it which is untrue or misleading or with the omission from it of the statement of a material fact, any person who authorised the circulation of the prospectus commits an offence and liable to imprisonment for a term not exceeding two years or a fine or both unless he or she satisfies the Court that he or she reasonably believed, when the prospectus was

circulated, that the statement was true and not misleading or that the matter omitted was properly omitted.

PART VII

INVESTIGATIONS

Appointment of inspectors by Minister.

- 38.** (1) If the Minister has *prima facie* evidence that—
- (a) a limited partnership was formed or is to be dissolved for an unlawful or fraudulent purpose;
 - (b) the business or affairs of a limited partnership are or have been carried on unlawfully or with intent to defraud any person;
 - (c) persons concerned with the formation, business or affairs of a limited partnership have in connection therewith acted fraudulently or dishonestly; or
 - (d) in any case it is in the public interest that an investigation of the limited partnership be made,

he or she may appoint one or more competent inspectors to investigate the affairs of a limited partnership and to report on them as the Minister may direct.

(2) The appointment may be made on the application of the Registrar, or of any person who is a partner or creditor of the limited partnership.

(3) The Minister may, before appointing inspectors, require the applicant, other than the Registrar, to give security, to an amount not exceeding twenty-five thousand dollars or such other sum as may be prescribed for payment of the costs of the investigation.

(4) This section applies whether or not the limited partnership is being wound up.

Powers of inspectors.

39. (1) If inspectors appointed under section 38 to investigate the affairs of a limited partnership think it necessary for the purposes of their investigation to investigate also the affairs of another limited partnership which is or at any relevant time was managed by any general partner of the first mentioned limited partnership, they shall have power to do so, and they shall report on the affairs of the other limited partnership so far as they think that the results of their investigation of the affairs of the other limited partnership are relevant to the investigation of the affairs of the first mentioned limited partnership.

(2) Inspectors so appointed may at any time in the course of their investigation, without the necessity of making an interim report, inform the Minister and the Attorney-General of matters coming to their knowledge as a result of the investigation tending to show that an offence has been committed.

Production of records and evidence to inspectors.

40. (1) If inspectors appointed under section 38 consider that any person is or may be in possession of information relating to a matter which they believe to be relevant to the investigation, they may require him or her—

- (a) to produce and make available to them all records in his or her custody or power relating to that matter;
- (b) at reasonable times and on reasonable notice, to attend before them; and
- (c) otherwise to give them all assistance in connection with the investigation which he or she is reasonably able to give,

and it is that person's duty to comply with the requirement.

(2) Inspectors may, for the purposes of the investigation, examine on oath any such person as is mentioned in subsection (1), and may administer an oath accordingly.

(3) An answer given by a person to a question put to him or her in exercise of the powers conferred by this section may be used in evidence against him or her.

Power of inspectors to call for partners' bank accounts.

41. If inspectors appointed under section 38 have reasonable grounds for believing that a partner, or past partner, of the limited partnership or other limited partnership whose affairs they are investigating maintains or has maintained a bank account of any description, whether alone or jointly with another person and whether in the Federation or elsewhere, into or out of which there has been paid money which has been in any way connected with an act or omission, or series of acts or omissions, which constitutes misconduct (whether fraudulent or not) on the part of that partner towards the limited partnership, the inspectors may require the partner to produce and make available to them all records in the partner's possession or under his or her control relating to that bank account.

Authority for search.

42. (1) Inspectors appointed under section 38 may, for the purpose of an investigation under that section, apply to the Court for a warrant under this section in relation to specified premises.

(2) If the Court is satisfied that the conditions in subsection (3) are fulfilled it may issue a warrant authorising a police officer and any other person named in the warrant to enter the specified premises (using such force as is reasonably necessary for the purpose) and to search them.

(3) The conditions referred to in subsection (2) are—

- (a) that there are reasonable grounds for suspecting that there is on the premises material (whether or not it can be particularised) which is likely to be of substantial value (whether by itself or together with other material) to the investigation for the purpose of which the application is made; and
- (b) that the investigation for the purposes of which the application is made might be seriously prejudiced unless immediate entry can be secured to the premises.

(4) Where a person has entered premises in the execution of a warrant issued under this section, he or she may seize and retain any material, other than items subject to legal professional privilege, which is likely to be of substantial value (whether by itself or together with other material) to the investigation for the purpose of which the warrant was issued.

- (5) In this section, “premises” includes any place and, in particular, includes—
- (a) any vehicle, vessel, aircraft or hovercraft;
 - (b) any offshore installation; and
 - (c) any tent or movable structure.

Obstruction.

43. Any person who wilfully obstructs any person acting in the execution of a warrant issued under section 42 commits an offence and liable to imprisonment for a term not exceeding two years or a fine or both.

Failure to co-operate with inspectors.

- 44.** (1) If any person—
- (a) fails to comply with a requirement under section 40 or 41; or
 - (b) refuses to answer any question put to him or her by the inspectors for the purpose of the investigation,

the inspectors may certify the refusal in writing to the Court.

(2) The Court may thereupon inquire into the case and, after hearing any witness who may be produced against or on behalf of the alleged offender and any statement in defence, the Court may punish the offender as if he or she had been guilty of contempt of the Court.

(3) Notwithstanding the generality of the foregoing, no proceedings for an offence or for the recovery of any penalty shall be instituted under this section against any person who refuses to answer any question if such refusal is made pursuant to section 68.

Inspectors’ reports.

45. (1) The inspectors may, and if so directed by the Minister shall, make interim reports to the Minister and on the conclusion of their investigation shall make a final report to the Minister.

- (2) The Minister may—
- (a) forward a copy of any report made by the inspectors to the office for service of the limited partnership;
 - (b) furnish a copy on request and on payment of the prescribed fee to—
 - (i) any partner of the limited partnership or other limited partnership which is the subject of the report;
 - (ii) any person whose conduct is referred to in the report;
 - (iii) the auditors (if any) of the limited partnership or that other limited partnership;
 - (iv) the applicants for the investigation;

- (v) any other person whose financial interests appear to the Minister to be affected by the matters dealt with in the report, whether as a creditor of the limited partnership or that other limited partnership, or otherwise; and
- (c) cause the report to be printed and published.

Power to bring civil proceedings on behalf of general partners.

46. (1) If, from any report made or information obtained under this Part, it appears to the Minister that civil proceedings ought, in the public interest, to be brought by the general partners of a limited partnership, the Minister may himself or herself bring those proceedings in the name and on behalf of the general partners of the limited partnership.

(2) The Minister shall, at the expense of the Government, indemnify the general partners against any costs or expenses incurred by them or the limited partnership in or in connection with proceedings brought under this section.

Expenses of investigating a limited partnership's affairs.

47. (1) The expenses of and incidental to an investigation by inspectors shall be defrayed in the first instance by the Minister, but the following are liable to make repayment to the Minister to the extent specified—

- (a) a person who—
 - (i) is convicted in proceedings on a prosecution instituted as a result of the investigation; or
 - (ii) is ordered to pay the whole or any part of the proceedings brought under section 46,may in the same proceedings be ordered to pay those expenses to the extent specified in the order;
- (b) a limited partnership in whose name proceedings are brought under that section is liable to the amount or value of any sums or property recovered by it as a result of those proceedings;
- (c) a limited partnership which has been the subject of the investigation is liable except so far as the Minister otherwise directs; and
- (d) the applicant or applicants for the investigation (other than the Registrar), is or are liable to the extent (if any) which the Minister may direct.

(2) For the purposes of this section, costs or expenses incurred by the Minister in or in connection with proceedings brought under section 46 (including expenses incurred under subsection (2) of it) are to be treated as expenses of the investigation giving rise to the proceedings.

(3) A liability to repay the Minister imposed by paragraph (a) or (b) of subsection (1) is (subject to satisfaction of his or her right to repayment) a liability also to indemnify all persons against liability under paragraph (c) or (d) of that subsection, and a liability imposed by paragraph (a) is (subject as mentioned above) a liability also to indemnify all persons against liability under paragraph (b).

(4) A person liable under subsection (1) is entitled to a contribution from any other person liable under the same subsection according to the amount of their respective liabilities under it.

(5) Expenses to be defrayed by the Minister under this section shall, so far as not recovered under it, be paid out of money provided by the Government.

(6) There shall be treated as expenses of the investigation, in particular, such reasonable sums as the Minister may determine in respect of general staff costs and overheads.

Inspectors' report to be evidence.

48. (1) A copy of a report of inspectors certified by the Minister to be a true copy, is admissible in legal proceedings as evidence of the opinion of the inspectors in relation to a matter contained in the report.

(2) A document purporting to be a certificate mentioned in subsection (1) shall be received in evidence and be deemed to be such a certificate unless the contrary is proved.

Privileged information.

49. Nothing in this Part requires the disclosure or production to the Minister or to an inspector appointed by him or her—

- (a) by a person of information or records which he or she would in an action in the Court be entitled to refuse to disclose or produce on the grounds of legal professional privilege in proceedings in the Court except, if he or she is a lawyer, the name and address of his or her client;
- (b) by the bankers (as such) of a limited partnership of information or records relating to the affairs of any of their customers other than the limited partnership or other limited partnership under investigation.

PART VIII

UNFAIR PREJUDICE

Power to apply to Court.

50. (1) A partner of a limited partnership may apply to the Court for an order under section 51 on the ground that the limited partnership's affairs are being or have been conducted in a manner which is unfairly prejudicial to the interests of the partners generally or of any of them (including at least himself or herself) or that an actual or proposed act or omission of any general partner of the limited partnership (including an act or omission on behalf of the limited partnership) is or would be so prejudicial.

(2) The Minister may apply to the Court for an order under section 51 if—

- (a) the Minister has received a report under section 45; and
- (b) it appears to the Minister that the limited partnership's affairs are being or have been conducted in a manner which is unfairly prejudicial to the interests of the partners generally or of any of them, or that an actual or proposed act or omission of any general partner of the limited partnership (including an act or omission on behalf of the limited partnership) is or would be so prejudicial.

Powers of Court.

51. (1) If the Court is satisfied that an application under section 50 is well founded, it may make such order as it thinks fit for giving relief in respect of the matters complained of.

(2) Without prejudice to the generality of subsection (1), the Court's order may—

- (a) regulate the conduct of the limited partnership's affairs in the future;
- (b) require any general partner to refrain from doing or continuing an act complained of by the applicant or to do an act which the applicant has complained it has omitted to do;
- (c) authorise civil proceedings to be brought in the name and on behalf of the limited partnership by such person or persons and on such terms as the Court may direct.

(3) If an order under this section requires the partners not to make any, or any specified, alterations in the partnership agreement, the partners shall not then, without leave of the Court, make such alterations in breach of that requirement.

(4) An alteration in the partnership agreement made by virtue of an order under this section is of the same effect as if duly made by the partners, and the provisions of this Act apply to the partnership agreement as so altered accordingly.

(5) The act of the Court recording the making of an order under this section altering, or giving leave to alter, a partnership agreement shall, within fourteen days from the making of the order or such longer period as the Court may allow, be delivered by a general partner to the Registrar for registration, and if default is made in compliance with this subsection every general partner who is in default commits an offence and is liable to a fine not exceeding two thousand five hundred dollars.

PART IX**REGISTRAR****Registrar and other officers.**

52. (1) For the purposes of the registration of declarations under this Act, there shall be appointed a person known as the Registrar of limited partnerships and such other officers as may be necessary to assist the Registrar in the exercise of his or her functions under this Act.

(2) Any functions of the Registrar under this Act may, to the extent authorised by him or her, be exercised by any of his or her officers.

(3) In this section, "officer" means a person on the staff of the Registrar.

(4) The Minister may at any time and from time to time by Order require that the Registrar of companies appointed pursuant to the Companies Act, Cap. 21.03 shall also be the Registrar of limited partnerships for such period or periods of time as may then be prescribed.

Registrar's seal.

53 The Minister may direct a seal or seals to be prepared for the authentication of documents required for or in connection with the establishment of limited partnerships.

Registration numbers.

54. (1) The Registrar shall allocate to every declaration a number, which shall be known as the declaration registration number of a limited partnership.

(2) The declaration registration numbers of limited partnerships shall be in such form, consisting of one or more sequences of figures or letters as the Registrar may from time to time determine.

(3) The Registrar may upon adopting a new form of registration number make such changes of existing registration numbers as appear to him or her necessary.

Size, durability, etc. of documents delivered to the Registrar.

55. (1) For the purpose of securing that documents delivered to the Registrar are of standard size, durable and easily legible, the Minister may prescribe requirements (whether as to size, weight, quality or colour of paper, size, type or colouring of lettering, or otherwise) as the Minister may consider appropriate, and different requirements may be prescribed for different documents or classes of documents.

(2) If a document is delivered to the Registrar (whether an original document or a copy) which in the Registrar's opinion does not comply with the prescribed requirements applicable to it, the Registrar may serve on a person by whom the document was delivered (or, if there are two or more such persons, on any of them) a notice stating his or her opinion to that effect and indicating the requirements so prescribed with which in his or her opinion the document does not comply.

(3) Where the Registrar serves a notice under subsection (2), then for the purposes of any enactment which enables a penalty to be imposed in respect of an omission to deliver to the Registrar a document required to be delivered under that provision (and, in particular, for the purposes of any such enactment whereby such a penalty may be imposed by reference to each day during which the omission continues)—

- (a) a duty imposed by that provision to deliver a document to the Registrar is to be treated as not having been discharged by the delivery of that document; but
- (b) no account is to be taken of days falling within the period beginning with the day on which the document was delivered to the Registrar and ending with the 14th day after the date of service of the notice under subsection (2).

Form of documents to be delivered to the Registrar.

56. (1) Where any section of this Act requires a document to be delivered to the Registrar, but the form of the document has not been prescribed, it shall be sufficient compliance with that requirement if—

- (a) the document is delivered in a form which is acceptable to the Registrar; or
- (b) the information in question is delivered in material other than a document, being material which is acceptable to the Registrar,

and the document or information, as the case may be, is accompanied by the prescribed fee, if any.

(2) In this section and section 57, any reference to delivering a document includes, in the case of a notice, giving it.

Fees and forms.

57. (1) The Minister may, by Order, require the payment to the Registrar of such fees as may be prescribed in respect of—

- (a) the performance by the Registrar of such functions under this Act as may be specified in the Order, including the receipt by him or her of any document under this Act which is required to be delivered to him or her; and
- (b) the inspection of documents or other material held by him or her under this Act.

(2) Where a fee is provided for or charged under this section for the performance of an act or duty by the Registrar, no action need be taken by him or her until the fee is paid, and where the fee is payable on the receipt by him or her of a document required to be delivered to him or her, he or she shall be deemed not to have received it until the fee is paid.

(3) The Minister may prescribe forms to be used for any of the purposes of this Act and the manner in which any document to be delivered to the Registrar is to be authenticated.

(4) Unless otherwise provided by or under this Act, any document delivered to the Registrar on behalf of a limited partnership pursuant to this Act shall be signed by one general partner.

(5) Fees paid to the Registrar shall form part of the Consolidated Fund.

Inspection and production of documents kept by the Registrar.

58. (1) Subject to the provisions of this section, a person may—

- (a) inspect a document delivered to the Registrar under this Act or, if the Registrar thinks fit, a copy thereof;
- (b) require a certificate of registration in respect of the declaration of the limited partnership or a copy, certified or otherwise, of any other document or part of any other document referred to in paragraph (a),

and a certificate given under paragraph (b) shall be signed by the Registrar and sealed with his or her seal.

(2) A copy of or extract from a record kept by the Registrar, certified in writing by him or her (whose official position it is unnecessary to prove) to be an accurate copy of such record delivered to him or her under this Act shall in all legal proceedings be admissible in evidence as of equal validity with the original record and as evidence of any fact stated therein of which direct oral evidence would be admissible.

Enforcement of duty to deliver documents and notices to the Registrar.

59. (1) If a general partner, having failed to comply with a provision of this Act which requires him or her to deliver to the Registrar any document, or to give notice to the Registrar of any matter, does not make good the failure within fourteen days

after the service of a notice on the general partner requiring him or her to do so, the Court may, on an application made to it by a partner or creditor of the limited partnership or by the Registrar, make an order directing the general partner to make good the failure within a time specified in the order.

(2) The Court's order may provide that all costs of and incidental to the application shall be borne by the general partner responsible for the failure.

(3) Nothing in this section prejudices the operation of any section imposing penalties on each of the general partners in respect of a failure mentioned above.

Destruction of old records.

60. (1) The Registrar may destroy any records delivered under this Act which have been kept for over thirty years and which were, or were comprised in or annexed or attached to, the accounts or annual statements of a limited partnership.

(2) Where a limited partnership has been dissolved, whether under this Act or otherwise, the Registrar may, at any time after thirty years from the date of the dissolution, destroy any records relating to that limited partnership in his or her possession or under his or her control.

Registrar may cancel registration of declaration of defunct limited partnership.

61. (1) If the Registrar has reason to believe that a limited partnership is not carrying on business or in operation, he or she may send to each of the general partners of the limited partnership by post a letter inquiring whether the limited partnership is carrying on business or in operation.

(2) If the Registrar receives an answer to the effect that the limited partnership is not carrying on business or in operation, or does not within one month after sending the letter receive an answer, he or she may publish in the *Gazette*, and send to each of the general partners of the limited partnership by post, a notice that at the end of three months from the date of that notice the registration of the declaration of the limited partnership named in it will, unless reason is shown to the contrary, be cancelled and the limited partnership will be dissolved.

(3) At the end of the period mentioned in the notice the Registrar may, unless reason to the contrary is previously shown by a partner or creditor of the limited partnership, cancel the registration of its declaration, and shall publish notice of this in the *Gazette*, and on the cancellation of the registration of its declaration the limited partnership is dissolved, but the liability (if any) of every partner of the limited partnership continues and may be enforced as if the limited partnership had not been dissolved.

(4) A notice to be sent under this section to a creditor may be addressed to him or her at his or her last known place of business.

PART X

TAXES AND STAMP DUTIES

Exemption from taxes.

62. (1) Notwithstanding any provision to the contrary in any enactment, a limited partnership is not itself a subject for assessment to any tax in the Federation and the partners of a limited partnership are exempt from all income, capital gains and

withholding taxes which may arise out of their interest in the limited partnership if the general partners of the limited partnership are in respect of it carrying on business exclusively with persons who are not resident in the Federation.

(2) The partners of an exempt limited partnership shall not lose their exemption under subsection (1) by reason only that the general partners of the limited partnership are in respect of it—

- (a) carrying on business with, or buying or selling or otherwise dealing in any securities issued or created by, or acting as manager or agent for or consultant or adviser to, any person resident in the Federation who is exempt from all income, capital gains and withholding taxes under any law of the Federation;
- (b) effecting or concluding in the Federation contracts or arrangements (including contracts or arrangements with any person resident in the Federation for employment with or the supply of goods and services to them in respect of the limited partnership) and exercising in the Federation all other powers, so far as may be necessary for the purpose of enabling them to carry on the business of the limited partnership;
- (c) administering the affairs of the limited partnership within the Federation and holding meetings of its partners in the Federation;
- (d) owning or leasing property in the Federation for the carrying on of the business of the limited partnership or as residence for its partners or employees;
- (e) re-insuring risks undertaken by any person resident in the Federation who is authorised to carry on insurance business under any law of the Federation; or
- (f) transacting banking business with any person resident in the Federation who is authorised to carry on banking business under any law of the Federation.

(3) Notwithstanding any provision to the contrary in any enactment, no estate, inheritance, succession or gift tax, rate, duty, levy or other charge is payable by any person with regard to any property owned by, or securities issued or created in respect of, an exempt limited partnership.

(4) In this section—

- (a) “person” includes an individual and any body corporate; and
- (b) “resident in the Federation” means a person who ordinarily resides within the Federation or carries on business from an office or other fixed place within the Federation, but does not include the partners of an exempt limited partnership; and “not resident in the Federation” shall be construed accordingly.

Exemption from stamp duties.

63. Notwithstanding any provision to the contrary in any enactment, no stamp duties are payable by any person with regard to any transaction in securities issued or created in respect of an exempt limited partnership.

PART XI

MISCELLANEOUS AND FINAL PROVISIONS

Form of limited partnership's records.

64. (1) The records, which the general partners of a limited partnership are required by this Act to keep, may be kept in the form of a bound or loose-leaf book, or photographic film, or may be entered or recorded by a system of mechanical or electronic data processing or any other information storage device that is capable of reproducing any required information in intelligible written form within a reasonable time.

(2) The general partners of a limited partnership shall take reasonable precautions—

- (a) to prevent loss or destruction of;
- (b) to prevent falsification of entries in; and
- (c) to facilitate detection and correction of inaccuracies in,

the records required by this Act to be kept, and if default is made in compliance with this subsection every general partner who is in default commits an offence and liable to a fine not exceeding two thousand five hundred dollars.

Examination of records and admissibility of evidence.

65. (1) If any record referred to in subsection (4) of section 21 is kept otherwise than in intelligible written form, any duty imposed on the general partners of a limited partnership by this Act to allow examination of, or to furnish extracts from, such record shall be treated as a duty to allow examination of, or to furnish a copy of the extract from, the record in intelligible written form.

(2) The records kept by the general partners of a limited partnership in compliance with this Act shall be admissible in the form in which they are made intelligible under subsection (1) as *prima facie* evidence, before and after the dissolution of the limited partnership, of all facts stated therein.

Production and inspection of records where offence suspected.

66. If, on an application by the Attorney-General, there is shown to be reasonable cause to believe that a person has, while a general partner of a limited partnership, committed an offence in connection with the management of the limited partnership's affairs and that evidence of the commission of the offence is to be found in any records of or under the control of the general partner, the Court may make an order—

- (a) authorising a person named in it to inspect the records in question, or any of them, for the purpose of investigating and obtaining evidence of the offence; or
- (b) requiring any partner of the limited partnership named in the order to produce and make available the records (or any of them) to a person named in the order at a place so named.

Legal professional privilege.

67. Where any proceedings are instituted under this Act against any person, nothing in this Act is to be taken to require any person to disclose any information

which he or she is entitled to refuse to disclose on grounds of legal professional privilege in proceedings in the Court.

Right to refuse to answer questions.

68. A person may refuse to answer any question put to him or her pursuant to any provision of this Act if his or her answer would tend to expose that person, or the spouse of that person, to proceedings under the law of the Federation for an offence or for the recovery of any penalty.

Power of Court to grant relief in certain cases.

69. (1) If in proceedings for negligence, default, breach of duty or breach of trust against a general partner of the limited partnership or a person employed by a limited partnership as auditor it appears to the Court that that general partner or person is or may be liable in respect of the negligence, default, breach of duty or breach of trust, but that he or she has acted honestly and that having regard to all the circumstances of the case (including those connected with his or her appointment) he or she ought fairly to be excused for the negligence, default, breach of duty or breach of trust, the Court may relieve him or her, either wholly or partly, from his or her liability on such terms as it thinks fit.

(2) If a general partner or person mentioned in subsection (1) has reason to apprehend that a claim will or might be made against him or her in respect of negligence, default, breach of duty or breach of trust, he or she may apply to the Court for relief, and the Court, on the application, has the same power to relieve him or her as it would have had if proceedings against that person for negligence, default, breach of duty or breach of trust had been brought.

Punishment of offences.

70. (1) Any person who makes a statement in any document, material, evidence or information which is required to be kept under subsection (4) of section 21 or which is required to be delivered to the Registrar under this Act that, at the time and in the light of the circumstances under which it is made, is false or misleading with respect to any material fact or that omits to state any material fact, the omission of which makes the statement false or misleading, commits an offence and liable to imprisonment for a term not exceeding two years or a fine or both.

(2) A person shall not be found guilty of an offence under subsection (1) if he or she did not know that the statement was false or misleading and in the exercise of reasonable diligence could not have known that the statement was false or misleading.

Accessories and abettors.

71. Any person who knowingly or wilfully aids, abets, counsels, causes, procures or commands the commission of an offence punishable by this Act shall be liable to be dealt with, tried and punished as a principal offender.

General powers of the Court.

72. (1) Where, on the application of the Attorney-General or the Registrar, the Court is satisfied that any person has failed to comply with any requirement made by or pursuant to this Act, or has committed any breach of duty as a general partner of the limited partnership, it may order that person to comply with that requirement or, so far as the breach of duty is capable of being made good, make good the breach.

(2) The Court shall not make an order against any person under this section unless the Court has given that person the opportunity of adducing evidence and being heard in relation to the matter to which the application relates.

Orders.

73. (1) The Minister may, by Order, make provision for the purpose of carrying this Act into effect and, in particular, but without prejudice to the generality of the foregoing, for prescribing any matter which may be prescribed by this Act.

(2) Except in so far as this Act otherwise provides, any power conferred thereby to make any Order may be exercised—

- (a) either in relation to all cases to which the power extends, or in relation to all those cases subject to specified exceptions, or in relation to any specified cases or classes of case; and
- (b) so as to make in relation to the cases in relation to which it is exercised—
 - (i) the full provision to which the power extends or any less provision (whether by way of exception or otherwise);
 - (ii) the same provision for all cases in relation to which the power is exercised or different provisions for different cases or classes of case, or different provisions as respects the same case or class of case for different purposes of this Act; or
 - (iii) any such provision either unconditionally or subject to any specified conditions.

(3) Without prejudice to any specific provision of this Act, any Order under this Act may contain such transitional, consequential, incidental or supplementary provisions as appear to the Minister to be necessary or expedient for the purposes of the Order.

Saving.

74. (1) The rules of customary law applicable to partnerships shall apply to limited partnerships except in so far as they are inconsistent with the express provisions of this Act.

(2) The Minister may, by Order, make provision for any other transitional matter connected with the coming into force of this Act.

(Section 75 repealed by Act 16 of 2018)

FIRST SCHEDULE

(Section 33)

FINANCIAL SERVICES (PROSPECTUSES) ORDER

Citation.

1. This Order may be cited as the Financial Services (Prospectuses) Order.

Interpretation.

2. (1) In this Order, unless the context otherwise requires—

“Act” means the Limited Partnerships Act under which this Order is made;

“institution” means any—

- (a) company;
- (b) partnership; or
- (c) trust,

incorporated or established under the law of the Federation or, if incorporated or established under the law of any other country or territory, carrying on business in the Federation or having an address in the Federation which is used regularly for the purpose of its business;

“Order” means this Order as amended, or as extended or applied, by or under any other Order made under the Acts;

“principal Order” means the Financial Services (Regulations) Order, as amended, or as extended or applied, by or under any other Order made under the Act.

(2) Subject to subsection (1), any words defined in the Acts and in the principal Order shall, if not inconsistent with the subject or context, bear the same meaning in this Order.

(3) A reference in this Order to an enactment is a reference to that enactment as amended, and includes a reference to that enactment as extended or applied by or under any other enactment, including any other provision of that enactment.

Circulation of Prospectus.

3. (1) Subject to subsection (2), no prospectus offering securities in an institution shall be circulated in the Federation or elsewhere unless—

- (a) it contains the information specified in Part I of the Schedule to this Order;
- (b) it includes the statements specified in Part II of that Schedule;
- (c) there has been delivered to the Director-General—
 - (i) a copy of the prospectus, signed by or on behalf of all the directors of the institution;
 - (ii) a signed copy of any report included in, or attached to, the prospectus; and
 - (iii) such other particulars as the Director-General may require; and
- (d) the Minister has given his or her consent to the circulation of the prospectus.

(2) The Minister may give his or her consent to the circulation of a prospectus which does not comply in every respect with the requirements of subsection (1) if he or she is satisfied that the deviation from those requirements does not affect the substance of the prospectus or is not calculated to mislead.

SCHEDULE TO THE ORDER

(Section 3)

PART I

INFORMATION TO BE SPECIFIED IN PROSPECTUSES

Details relating to the Offer.

1. The following shall be stated—
 - (a) the names, occupations and addresses of—
 - (i) the offerors or vendors; and
 - (ii) any promoter, of the securities;
 - (b) the offer price for the securities, including the method, time and place of payment;
 - (c) the opening and closing dates and times of the offer;
 - (d) the minimum amount required to be raised by the offer;
 - (e) when and how moneys will be returned in the event of the offer not being completed or any securities applied for not being allotted;
 - (f) general particulars of any property which is to be acquired with the proceeds of the offer;
 - (g) in the case of any business which is to be acquired with the proceeds of the offer, the length of time during which that business has been carried on;
 - (h) if dividends or interests are payable on the securities, then the terms and conditions under which such dividends or interests are to be paid;
 - (i) if the securities are redeemable, then the terms and conditions under which they are to be redeemed.

Capital.

2. There shall be stated particulars of—
 - (a) the paid-in capital of the institution; and
 - (b) the securities which are the subject of the offer, together with details of any existing issued securities which are not part of the offer.

Goodwill, Preliminary Expenses etc.

3. There shall be stated particulars of any amounts to be written off or provided for in respect of goodwill or preliminary expenses, or of any benefit given to a promoter.

Contracts.

4. There shall be stated the dates of, parties to and general nature of every material contract, not being a contract entered into in the ordinary course of the business carried on, or intended to be carried on, by the institution or a contract entered into more than two years before the date of issue of the prospectus.

Interest of Directors.

5. There shall be stated—

- (a) full particulars of the nature and extent of the interest, if any, of every director in the promotion of or in the property proposed to be acquired by, the institution, or where the interest of such a director consists of being a partner in a partnership or a trustee of a trust, the nature and extent of the interest of the partnership or trust (as the case may be); and
- (b) details of all sums paid or agreed to be paid to him or her or to the partnership or trust (as the case may be) in cash or shares or otherwise by any person to induce him or her to become, or to qualify him or her as, a director, or otherwise for services rendered by him or her or by the partnership or trust (as the case may be) in connection with the promotion or formation of the institution.

Debentures and Loans.

6. There shall be stated details of any subscriptions, allotments or options to be given, or already existing, in respect of any other securities of the institution, including any which have a prior right over the securities covered by the offer to a distribution of the institution's profits.

Accounts and Reports.

7. The following shall be included in the prospectus—

- (a) a copy of the institution's latest accounts accompanied by a report thereon by the institution's auditors;
- (b) any other reports of a specialist nature by any person who could be described as an expert on any aspect of the institution's business, identifying any unusual element of risk to the investor.

Registered Office or Office for Service.

8. There shall be stated the address of the institution's registered office or office for service (as the case may be) and if the institution is not keeping its register of members at that office, the address of the office at which such register is kept.

Principal Establishments.

9. The location and nature of the institution's principal operating establishments shall be stated.

Directors and other Officers.

10. The following shall be stated in respect of each director, chief executive and manager of the institution—

- (a) his or her forenames and surname;

- (b) his or her business or usual residential address;
- (c) his or her business occupation (if any); and
- (d) his or her qualifications (if any).

Advisers.

11. The following shall be stated—
- (a) the name and address of the institution's auditors;
 - (b) the name and address of the institution's legal advisers;
 - (c) the name and address of the institution's principal bankers.

Additional Information.

12. There shall be included any other material information which an investor (including a person who cannot be expected to have any special knowledge of investments of the nature being offered) would reasonably require to enable him or her to make an informed judgment about the merits of investing in the securities offered in the prospectus.

Date of Issue.

13. The date of issue of the prospectus shall be stated.

PART II
STATEMENTS TO BE INCLUDED IN THE PROSPECTUS

The following statements shall be included—

- (a) "A copy of this document has been delivered to the Minister of Finance of the Federation of Saint Christopher and Nevis in accordance with section 3 of the Financial Services (Prospectus) Order and he or she has given, and has not withdrawn, his or her consent to its circulation.";
 - (b) "It must be distinctly understood that, in giving these consents, the Minister of Finance of the Federation of Saint Christopher and Nevis takes no responsibility whatsoever for the financial soundness of the institution or for the correctness of any statements made, or opinions expressed, with regard to it.";
 - (c) "The persons responsible for this document have taken all reasonable care to ensure that the facts stated in this document are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in the document, whether of facts or of opinion. All these persons accept responsibility accordingly.";
 - (d) "If you are in any doubt about the contents of this document you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.";
 - (e) "It should be remembered that the price of securities and the income from them can go down as well as up."
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SECOND SCHEDULE

(Section 57)

LIMITED PARTNERSHIPS (FEES) ORDER

Citation.

1. This Order may be cited as Limited Partnerships (Fees) Order.

Fees to be paid to the Registrar.

2. (1) The fees set out in the second column of the Schedule hereto shall be the fees payable in respect of the transactions set out in the first column of that Schedule.

- (2) The fee payable to the Registrar under section 45 of the Act for a copy of a report made by inspectors appointed under section 38 of the Act shall be at the rate of one dollar per page of the report.

SCHEDULE TO THE ORDER
FEE TO BE PAID TO THE REGISTRAR
(Section 3)

Matter in respect of which fee is payable	Amount of fee	
	XCD	USD
1. For registration of the declaration of a limited partnership on its establishment under the Act—		
(a) in the case of an ordinary limited partnership	\$270	\$100
(b) in the case of an exempt limited partnership	\$540	\$200
2. For the registration of a statement of alteration under section 8 of the Act.....	\$162	\$60
3. For filing of an annual statement of a limited partnership pursuant to section 22 of the Act—		
(a) in the case of an ordinary limited partnership.....	\$270	\$100
(b) in the case of an exempt limited partnership	\$540	\$200
4. For each document not falling within paragraph 1, 2 or 3 of this Schedule which is by virtue of the Act required to be registered or filed with the Registrar	\$81	\$30
5. For each inspection of documents kept by the Registrar in pursuance of the Act except the inspection of the index kept by the Registrar in respect of the names of limited partnerships established under the Act.....	\$5	\$5
6. For certification by the Registrar of a copy of any document (other than a certificate of registration) or part of a document kept by the Registrar in pursuance of the Act—		
(a) where it is necessary on any occasion for the Registrar to inspect any documents, for each such inspection	\$5	\$1.85
(b) and, in all cases, for each page so certified	\$3	\$1.11
7. For a certificate of registration certified by the Registrar (supplied otherwise than on the establishment of the limited partnership), or for certification of an extract of any document or part of a document kept by the Registrar in pursuance of the Act—		
(a) for the first such certificate of registration or the first such certified extract supplied on any occasion.	\$8	\$2.96
(b) for any subsequent certificate of registration or certified extract supplied on the same occasion	\$6	\$2.22

(XCD = dollars of the Eastern Caribbean Central Bank; USD = dollars of the United States America)

†**THIRD SCHEDULE**

(Section 73)

FINANCIAL SERVICES (FEES) ORDER

Citation.

1. (1) This Order may be cited as the Financial Services (Fees) Order.
- (2) This Order shall come into force on the 3rd day of April, 1997.

Interpretation.

2. (1) In this Order, unless the context otherwise requires—
“Act” means the Limited Partnerships Act under which this Order is made;
“Order” means this Order as amended, or as extended or applied, by or under any other Order made under the Act;
“principal Order” means the Financial Services (Regulations) Order, as amended, or as extended or applied, by or under any other Order made under the Act.
- (2) Subject to subsection (1), any words defined in the Act and in the principal Order shall, if not inconsistent with the subject or context, bear the same meaning in this Order.
- (3) A reference in this Order to an enactment is a reference to that enactment as amended, and includes a reference to that enactment as extended or applied by or under any other enactment, including any other provision of that enactment.

Fees to be paid to the Director-General.

3. The fees set out in the second column of the Schedule hereto shall be the fees payable in respect of the transactions set out in the first column of that Schedule.

† Third Schedule revoked by S.R.O. 6/2019. Fourth Schedule renumbered as Third Schedule. Subsequent schedules renumbered accordingly.

SCHEDULE TO THE ORDER*(Section 3)*

FEES TO BE PAID TO THE DIRECTOR-GENERAL

Matter in respect of which fee is payable	Amount of fee	
	XCD	USD
1. For the first authorisation to carry on—		
(a) a deposit-taking business		
(i) on filing of application (not refundable) for all applications.....	\$2,700	\$1,000
(ii) on granting of authorisation for an unrestricted business	\$21,600	\$8,000
a restricted business	\$10,800	\$4,000
(b) an investment business—		
(i) on filing of application (not refundable) for all applications.....	\$2,160	\$800
(ii) on granting of authorisation for an unrestricted business.....	\$16,200	\$6,000
a restricted business.....	\$8,100	\$3,000
(c) an insurance business—		
(i) on filing of application (not refundable) for all applications.....	\$1,620	\$600
(ii) on granting of authorisation for an unrestricted business.....	\$10,800	\$4,000
a restricted business.....	\$5,400	\$2,000
(d) an assurance business—		
(i) on filing of application (not refundable) for all applications.....	\$1,080	\$400
(ii) on granting of authorisation to an insurance agent.....	\$270	\$100
an insurance broker.....	\$2,700	\$1,000
an insurance sub-agent.....	\$135	\$50
an insurance manager	\$8,100	\$3,000
a principal insurance representative	\$810	\$300

(e)	a trust business		
	(i) on filing of application (not refundable)		
	for all applications.....	\$540	\$200
	(ii) on granting of authorisation for		
	an unrestricted business.....	\$5,400	\$2,000
	a restricted business.....	\$2,700	\$1,000
(f)	a corporate business		
	(i) on filing of application (not refundable)	\$135	\$50
	(ii) on granting of authorisation	\$1,350	\$500
2.	For the renewal of an authorisation to carry on		
	(a) a deposit-taking business as		
	an unrestricted business.....	\$21,600	\$8,000
	a restricted business.....	\$10,800	\$4,000
	(b) an investment business as		
	an unrestricted business.....	\$16,200	\$6,000
	a restricted business.....	\$8,100	\$3,000
	(c) an insurance business as		
	an unrestricted business.....	\$10,800	\$4,000
	a restricted business.....	\$5,400	\$2,000
	(d) an assurance business as		
	an insurance agent.....	\$270	\$100
	an insurance broker	\$2,700	\$1,000
	an insurance sub-agent.....	\$135	\$50
	an insurance manager.....	\$8,100	\$3,000
	a principal insurance representative...	\$810	\$300
	(e) a trust business as		
	an unrestricted business.....	\$5,400	\$2,000
	restricted business.....	\$2,700	\$1,000
	(f) a corporate business.....	\$1,350	\$500

(XCD = dollars of the Eastern Caribbean Central Bank; USD = of the United States of America)

‡FOURTH SCHEDULE*(Section 9)***FINANCIAL SERVICES (BUSINESS NAMES) ORDER****Citation.**

1. This Order may be cited as the Financial Services (Business Names) Order.

Interpretation.

2. (1) In this Order, unless the context otherwise requires—

“the Act” means the Limited Partnership Act under which this Order is made;

“existing institution” means an institution incorporated or established before the date on which this Order comes into force;

“institution” means any—

- (a) company;
- (b) partnership; or
- (c) trust,

incorporated or established under the laws of the Federation or, if incorporated or established under the law of any other country or territory, carrying on business in the Federation or having an address in the Federation which is used regularly for the purpose of its business;

“Order” means this Order as amended, or is extended or applied, by or under any other Order made under the Act;

“principal Order” means the Financial Services (Regulations) Order, as amended, or as extended or applied, by or under any other Order made under the Act.

(2) Subject to subsection (1), any words defined in the Act and in the principal Order shall, if not inconsistent with the subject or context, bear the same meaning in this Order.

(3) A reference in this Order to an enactment is a reference to that enactment as amended, and includes a reference to that enactment as extended or applied by or under any other enactment, including any other provision of that enactment.

Restriction on use of certain words in Business Names.

3. (1) The words specified in the Schedule hereto or any word, however spelled and whether in the singular or plural form or in the masculine, feminine or neuter gender, or any abbreviation thereof, which may reasonably be understood to convey a similar meaning whether in English or any other language are hereby specified as words for the use of which as, or as part of, an institution’s name the permission of the Minister shall be obtained.

- (2) Any word in a language other than English (“foreign word”) is a word for the use of which as, or as part of, an institution’s name the permission of the Minister shall be obtained.

‡ Third Schedule revoked by S.R.O. 6/2019. Fifth Schedule renumbered as Fourth Schedule.

(3) Words in English or in any other language which are used as, or form part of, an institution's name shall be in Roman characters when reproduced in writing or in any substitute for writing.

Restrictions on the use of initials in Business Names.

4. (1) Any initial is an initial for the use of which as, or as part of, an institution's name the permission of the Minister shall be obtained.

(2) Initials which are used as, or form part of, an institution's name shall be in Roman characters or numerals or in Arabic numerals (as may be desired) when reproduced in writing or in any substitute for writing.

(3) References to "initial" in this Order are references to any character or numeral, whether or not preceded or followed by a space or punctuation mark, which can neither by itself nor in combination with any adjacent characters or numerals be reasonably understood to form a word which conveys any meaning in English.

Application for Permission.

5. Any institution desirous of obtaining the permission of the Minister under this Order may make application in that behalf by delivering to the Director-General a statement signed by or on behalf of a director of the institution setting out—

- (a) any name currently used by it;
- (b) the name for which the permission of the Minister is being sought together with—
 - (i) a certified translation of any foreign word; and
 - (ii) a statement explaining the meaning of any initial used as, or forming part of, its name;
- (c) the intended or, in the case of an existing institution, the current address of its registered office or office for service (as the case may be);
- (d) a summary description of the nature of each business intended to be carried out by it or, in the case of an existing institution, currently being carried out by it; and
- (e) where a statement is delivered by a person as agent for any director of the institution, the statement shall specify that fact and the person's name and address.

Grant of Permission.

6. Subject to section 7, the Minister shall grant permission under this Order and whenever the Minister grants such permission he or she shall by notice in writing inform the applicant accordingly.

Refusal to grant Permission.

7. (1) The Minister may refuse to grant permission under this Order—
- (a) if the applicant has not provided information required under section 5;
 - (b) if it appears to him or her, as a result of information provided in pursuance of the requirements of section 6 or information otherwise

obtained, that the name of the institution for which the application is made would be misleading or otherwise undesirable;

- (c) if in connection with any application made under this Order, the applicant has provided information which is untrue or misleading in any material particular; or
- (d) if the name of the institution—
 - (i) contains one or more initials that have no meaning; or
 - (ii) consists of solely one or more initials.

(2) Whenever the Minister refuses to grant permission under this Order he or she shall by notice in writing inform the applicant accordingly.

Procedure and Rights of Appeal.

8. (1) Where the Minister, acting under section 7, refuses to grant permission under this Order to an institution, the applicant may require the Minister to furnish him or her with a statement in writing of the Minister's reasons for that decision.

(2) Any person aggrieved by such refusal may appeal to the Court, either in term or in vacation, on the ground that the decision of the Minister was unreasonable having regard to all the circumstances of the case.

Punishment of Offences.

9. An institution which fails to comply with any provision of this Order which applies to it commits an offence and liable to a fine not exceeding two thousand five hundred dollars and in the case of a continuing offence to a further fine not exceeding two hundred and fifty dollars for each day on which the offence so continues.

SCHEDULE TO THE ORDER

(Section 3)

SPECIFICATION OF RESTRICTED WORDS

A Agency	D Deposit	I Insurance	Registrar
Association	Divine	Insurer	Reinsurance
Assurance	Divinity	Investigation	Reinsurer
Assurer	Duchess	K King	Resident
Authority	Duke	Kittitian (5)	Royal
B Bank	E Exchange	L Licensed	Royale
Banker	F Federation	Licensee	Royalty
Banking	Firm (2) (3)	Licentiate	S Saint Christopher (5)
Beneficial	Finance	Limited (1) (2)	Saint Kitts (5)
Benevolent	Financial	M Majesty	Security

Board	Foundation	Municipal	Secured
Broker	Fund	Mutual	Scheme
Brokerage	G Gambling	N National	School
C Casino	Gaming	Nevis (5)	Society
Casualty	Giro	Nevisian (5)	Sovereign
Chamber	God	Nursing	State
Charitable	Government	O Offshore	Stockbroker
Charity	Governor	Onshore	Subsidiary
Charter	Group	P Parliament	Surety
Chartered	Guarantee	Partnership (2) (3)	T Trust (4)
Clinic	Guaranteed	Patent	Trustee
Club	H Health	Patentee	U Underwriter
Collective	Highness	Police	Union
College	Holding	Polytechnic	Unit
Commission	Holy	Prince	University
Committee	Holiness	Princess	Unlimited
Company (1) (2) (3)	Hospital	Protection	
Consolidated	I Imperial	Q Queen	
Co-operative	Incorporated (1)	R Reassurance	
Corporate (1)	Indemnity	Reassurer	
Corporation (1)	Institute	Register	
Council	Institution	Registered	

Notes:

Restricted only if the institution (1) is not a company; (2) is not a limited partnership; (3) is not a partnership; (4) is not a trust; or (5) has not majority or principal shareholder controller or no indirect controller who is resident in the Federation.

§FIFTH SCHEDULE*(Section 73)***FINANCIAL SERVICES (PROFESSIONAL BODIES) ORDER****Citation.**

1. This Order may be cited as the Financial Services (Professional Bodies) Order.

Interpretation.

2. (1) In this Order, unless the context otherwise requires—

“Act” means the Limited Partnerships Act under which this Order is made;

“authorised person” means a person authorised to carry on finance business under the principal Order;

“Order” means this Order as amended, or as extended or applied, by or under any other Order made under the Act;

“principal Order” means the Financial Services (Regulations) Order, as amended, or as extended or applied, by or under any other Order made under the Act.

(2) Subject to subsection (1), any words defined in the Act and in the principal Order shall, if not inconsistent with the subject or context, bear the same meaning in this Order.

(3) A reference in this Order to an enactment is a reference to that enactment as amended, and includes a reference to that enactment as extended or applied by or under any other enactment, including any other provision of that enactment.

Authorisation by Certification.

3. (1) Notwithstanding any provision to the contrary in the principal Order, a person holding an authorisation certificate issued for the purpose of this Order by a recognised professional body is an authorised person and the provisions of the principal Order shall, *mutatis mutandis*, apply to such person as if he or she is an authorised person otherwise than by virtue of the certification.

(2) An authorisation certificate may be issued by a recognised professional body to an individual, a company or a partnership.

(3) An authorisation certificate issued to a partnership—

(a) shall be issued in the name of the partnership; and

(b) shall authorise the carrying on of finance business in that name by the partnership to which the authorisation certificate is issued, by any partnership which succeeds to that business or by any person who succeeds to that business having previously carried it on in partnership,

and, in relation to an authorisation certificate issued to a partnership constituted under the law of any country or territory under which a partnership is not a legal person, references in this Order to the person who holds the authorisation certificate or is certified shall be construed as references to the persons or person for the time being authorised by the authorisation certificate to carry on finance business as mentioned in paragraph (b).

§ Third Schedule revoked by S.R.O. 6/2019. Sixth Schedule renumbered as Fifth Schedule.

Professional Bodies.

4. (1) In this Order, a “professional body” means a body which regulates the practice of a profession and references to the practice of a profession do not include references to carrying on a business consisting wholly or mainly of finance business.

(2) In this Order, references to the members of a professional body are references to the individuals who, whether or not members of the body, are entitled to practise the profession in question and, in practising it, are subject to the rules of that body.

(3) In this Order, references to the rules of a professional body are references to the rules (whether or not laid down by the body itself) which the body has power to enforce in relation to the practice of the profession in question and the carrying on of finance business by persons practising that profession or which relate to the grant, suspension or withdrawal of authorisation certificates under section 3, the admission and expulsion of members or otherwise to the constitution of the body.

(4) In this Order, references to guidance issued by a professional body are references to guidance issued or any recommendation made by it to all or any class of its members or persons seeking to become members, or to persons or any class of persons who are or are seeking to be certified by the body, and which would, if it were a rule, fall within subsection (3).

Application for Recognition.

5. (1) A professional body may apply to the Financial Secretary for an order declaring it to be a recognised professional body for the purpose of this Order.

(2) Any such application—

(a) shall be delivered to the Director-General;

(b) shall be in such form as the Financial Secretary may direct; and

(c) shall be accompanied by such information as the Financial Secretary may reasonably require for the purpose of determining the application.

(3) At any time after receiving an application and before determining it the Financial Secretary may require that applicant to provide additional information.

(4) The directions and requirements given or imposed under subsections (2) and (3) may differ as between different applications.

(5) Any information to be provided under this section shall, if the Financial Secretary so requires, be in such form or verified in such manner as he or she may specify.

(6) Every application shall be accompanied by a copy of the applicant’s rules and of any guidance issued by the applicant which is intended to have continuing effect and is issued in writing or other legible form.

Grant and Refusal of Recognition.

6. (1) The Financial Secretary may, on an application duly made in accordance with section 5 and after being furnished with all such information as he or she may require under that section, make or refuse to make an order (“a recognition order”) declaring the applicant to be a recognised professional body.

(2) The Financial Secretary may make a recognition order if it appears to him or her from the information furnished by the body making the application and having

regard to any other information in his or her possession that the requirements of subsection (3) and of the Schedule to this Order are satisfied as respects that body.

(3) The body must have rules which impose acceptable limits on the kinds of finance business which may be carried on by persons certified by it and the circumstances in which they may carry on such business and which preclude a person certified by that body from carrying on any finance business outside those limits unless that person is an authorised person otherwise than by virtue of the certification.

(4) Where the Financial Secretary refuses an application for a recognition order he or she shall give the applicant a written notice to that effect, stating the reasons for the refusal.

(5) A recognition order shall state the date on which it takes effect.

Revocation of Recognition.

7. (1) A recognition order under section 6 may be revoked by a further order made by the Financial Secretary if at any time it appears to him or her—

- (a) that subsection (3) of section 6 or any requirements of the Schedule to this Order is not satisfied in the case of the body to which the recognition order relates; or
- (b) that the body has failed to comply with any obligation to which it is subject by virtue of this Order.

(2) An order revoking a recognition order shall state the date on which it takes effect and that date shall not be earlier than 3 months after the day on which the revocation order is made.

(3) Before revoking a recognition order the Financial Secretary shall give written notice of his or her intention to do so to the recognised professional body, take such steps as he or she considers reasonably practicable for bringing the notice to the attention of members of the body and publish it in such manner as he or she thinks appropriate for bringing it to the attention of any other persons who are in his or her opinion likely to be affected.

(4) A notice under subsection (3) shall state the reasons for which the Financial Secretary proposes to act and give particulars of the rights conferred by subsection (5).

(5) A body on which a notice is served under subsection (3), any member of the body and any other person who appears to the Financial Secretary to be affected may, within 3 months after the date of service or publication, or within such longer time as the Financial Secretary may allow, make written representations to the Financial Secretary and, if desired, oral representations to a person appointed for that purpose by the Financial Secretary, and the Financial Secretary shall have regard to any representations made in accordance with this subsection in determining whether to revoke the recognition order.

(6) If in any case the Financial Secretary considers it essential to do so in the interest of the public, he or she may revoke a recognition order without regard to the restrictions imposed by subsection (2) and notwithstanding that no notice has been given or published under subsection (3) or that the time for making representations in pursuance of such a notice has not expired.

(7) An order revoking a recognition order may contain such transitional provisions as the Financial Secretary thinks necessary or expedient.

(8) A recognition order may be revoked at the request or with the consent of the recognised professional body and any such revocation shall not be subject to the restrictions imposed by subsections (1) and (2) or the requirements of subsections (3) to (5).

(9) On making an order revoking a recognition order the Financial Secretary shall give the body written notice of the making of the order, take such steps as he or she considers reasonably practicable for bringing the making of the order to the attention of members of the body and publish a notice of the making of the order in such manner as he or she thinks appropriate for bringing it to the attention of any other persons who are in his or her opinion likely to be affected.

Compliance Order.

8. (1) If at any time it appears to the Financial Secretary—

- (a) that subsection (3) of section 6 or any requirement of the Schedule to this Order is not satisfied in the case of a recognised professional body; or
- (b) that such body has failed to comply with any obligation to which it is subject by virtue of this Order,

he or she may, instead of revoking the recognition order under section 7, make an application to the Court under this section.

(2) If on any such application the Court decides that subsection (3) of section 6 or the requirement in question is not satisfied or, as the case may be, that the body has failed to comply with the obligation in question it may order the body to take such steps as it directs for securing that that subsection or requirement is satisfied or that that obligation is complied with.

Notification Requirements.

9. (1) The Financial Secretary may make regulations requiring a recognised professional body to give forthwith notice to the Director-General of the occurrence of such events relating to the body, its members or persons certified by it as are specified in the regulations and such information in respect of those events as is so specified.

(2) The Financial Secretary may make regulations requiring a recognised professional body to furnish to the Director-General at such times or in respect of such periods as are specified in the regulations with such information relating to the body, its members and persons certified by it as is so specified.

(3) The notices and information required to be given or furnished under the foregoing provisions of this section shall be such as the Financial Secretary may reasonably require for the exercise of the functions of the Director-General under this Order.

(4) Regulations under the foregoing provisions of this section may require information to be given in a specified form and to be verified in a specified manner.

(5) Any notice or information required to be given or furnished under the foregoing provisions of this section shall be given in writing or in such other manner as the Financial Secretary may approve.

(6) Where a recognised professional body amends, revokes or adds to its rules or guidance it shall, within 7 days, give written notice to the Director-General of the amendment, revocation or addition but—

- (a) notice need not be given of the revocation of guidance other than such as is mentioned in subsection (6) of section 5 or of any amendment of or addition to guidance which does not result in or consist of such guidance as is there mentioned; and
- (b) notice need not be given in respect of any rule or guidance, or rules or guidance of any description, in the case of which the Financial Secretary has waived compliance with this subsection by notice in writing to the body concerned,

and any such waiver may be varied or revoked by a further notice in writing.

(7) Contravention of, or of regulations under, this section shall not be an offence.

Temporary Recognition Order.

10. (1) The St. Kitts and Nevis Bar Association and the St. Kitts-Nevis Association of Chartered Accountants shall be granted a temporary recognition order under this section.

(2) An order issued under subsection (1) shall expire on the earlier of the day on which it is replaced by a recognition order made under section 6 or on which the period of 12 months from the day on which this Order takes effect expires.

(3) An order issued under subsection (1) which is not replaced by a recognition order made under section 6 shall for the purpose of this Order be deemed to have been revoked by an order made under subsection (6) of section 7 on the relevant expiration day referred to in subsection (2).

Functions of the Director-General

11. In addition to his or her functions under the principal Order, the Director-General shall also examine and make recommendations to the Financial Secretary with respect to all applications for recognition, revocations of recognition and compliance orders made under this Order.

SCHEDULE TO THE ORDER*(Section 6(2))***REQUIREMENTS FOR RECOGNITION OF PROFESSIONAL BODIES****Statutory Status.**

1. The body must—
 - (a) regulate the practice of a profession in the exercise of statutory powers;
 - (b) be recognised (otherwise than under this Order) for a statutory purpose by a Minister of the Federal Government; or
 - (c) be specified in a provision contained in or made under an enactment as a body whose members are qualified to exercise functions or hold offices specified in that provision.

Certification.

2. (1) The body must have rules, practices and arrangements for securing that no person can be certified by the body for the purpose of this Order unless the conditions set out in subsections (2) and (3) are satisfied.
 - (2) The certified person must be either—
 - (a) an individual who is a member of the body; or
 - (b) a person managed and controlled by one or more individuals each of whom is a member of a recognised professional body and at least one of whom is a member of the certifying body.
 - (3) Where the certified person is an individual his or her main business must be the practice of the profession regulated by the certifying body and he or she must be practising that profession otherwise than in partnership, and where the certified person is not an individual that person's main business must be the practice of the profession or professions regulated by the recognised professional body or bodies of which the individual or individuals mentioned in paragraph (b) of subsection (2) are members.
 - (4) In the application of subsections (2) and (3) to an authorisation certificate which is to be or has been issued to a partnership constituted under the law of any country or territory under which a partnership is not a legal person, references to the certified person shall be construed as references to the partnership.

Safeguards for Clients.

3. (1) The body must have rules regulating the carrying on of finance business by persons certified by it which, together with the statements of principle, rules, regulations and codes of practice to which those persons are subject afford an adequate level of protection for clients.
 - (2) In determining in any case whether an adequate level of protection is afforded for clients of any description, regard shall be had to the nature of the finance business carried on by persons certified by the body, the kinds of clients involved and the effectiveness of the body's arrangement for enforcing compliance.

Taking Account of Costs of Compliance.

4. The body must have satisfactory arrangements for taking account, in framing its rules, of the cost to those to whom the rules would apply of complying with those rules and any other controls to which they are subject.

Monitoring and Enforcement.

5. (1) The body must have adequate arrangements and resources for the effective monitoring of the continued compliance by persons certified by it with the conditions mentioned in section 2 and rules, practices and arrangements for the withdrawal or suspension of certification (subject to appropriate transitional provisions) in the event of any of those conditions ceasing to be satisfied.

(2) The body must have adequate arrangements and resources for the effective monitoring and enforcement of compliance by persons certified by it with the rules of the body relating to the carrying on of finance business and with any statements of principles, rules, regulations or codes of practice to which those persons are subject in respect of business of a kind regulated by the body.

(3) The arrangements for enforcement must include provision for the withdrawal or suspension of certification and may include provision for disciplining members of the body who manage or control a certified person.

(4) The arrangements for enforcement may make provision for the whole or part of that function to be performed by and to be the responsibility of a body or person independent of the professional body.

(5) The arrangements for enforcement must be such as to secure a proper balance between the interests of persons certified by the body and the interest of the public, and the arrangements shall not be regarded as satisfying that requirement unless the persons responsible for enforcement include a sufficient number of persons who are independent of the body and its members and of persons certified by it.

(6) The arrangements for monitoring may make provision for that function to be performed on behalf of the body (and without affecting its responsibility) by any other body or person who is able and willing to perform it.

Investigation of Complaints.

6. (1) The body must have effective arrangements for the investigation of complaints relating to—

- (a) the carrying on by persons certified by it of finance business in respect of which they are subject to its rules; and
- (b) its regulation of investment business.

(2) Subsection (4) of section 4 applies also to arrangements made pursuant this section.

Promotion and Maintenance of Standards.

7. The body must be able and willing to promote and maintain high standards of integrity and fair dealing in the carrying on of finance business and to co-operate, by the sharing of information and otherwise, with the Director-General and any other authority, body or person having responsibility for the supervision or regulation of finance business.
