

CAYMAN ISLANDS



Supplement No. published with Gazette No.  
Dated , 2010.

**A BILL FOR A LAW TO AMEND THE PARTNERSHIP LAW (2002  
REVISION) TO PROVIDE FOR THE RETENTION OF BOOKS OF  
ACCOUNT FOR A MINIMUM PERIOD; AND FOR INCIDENTAL AND  
CONNECTED PURPOSES**

**THE PARTNERSHIP (AMENDMENT) BILL, 2010**

**MEMORANDUM OF OBJECTS AND REASONS**

This Bill seeks to amend the Partnership Law (2002 Revision) to provide for the retention of books of accounts of a partnership for a minimum period.

Clause 1 of the Bill provides the short title.

Clause 2 repeals and substitutes section 28. The new section 28 preserves the provision originally contained in the repealed section 28 and contains provisions which impose obligations on a partner other than a limited partner to cause proper books of account to be kept and to be retained for a minimum of five years from the date on which they are prepared. A penalty is imposed where a partner knowingly and wilfully contravenes subsection (2) or (4).

Clause 3 gives the Governor in Cabinet a general regulation making power.

CAYMAN ISLANDS

**A BILL FOR A LAW TO AMEND THE PARTNERSHIP LAW (2002 REVISION) TO PROVIDE FOR THE RETENTION OF BOOKS OF ACCOUNT FOR A MINIMUM PERIOD; AND FOR INCIDENTAL AND CONNECTED PURPOSES**

ENACTED by the Legislature of the Cayman Islands.

1. This Law may be cited as the Partnership (Amendment) Law, 2010. Short title
  
2. The Partnership Law (2002 Revision) is amended by repealing section 28 and substituting the following - Repeal and substitution of section 28 of the Partnership Law (2002 Revision) - duties of partners to render accounts, etc.
  - “Accounts” 28. (1) Partners are bound to render true accounts and full information of all things affecting the partnership to any partner or his agents.
  
  - (2) A partner, other than a limited partner, shall keep or cause to be kept proper books of account including, where applicable, material underlying documentation including contracts and invoices, with respect to -
    - (a) all sums of money received and expended by the partnership and matters in respect of which the receipt of expenditure takes place;

- (b) all sales and purchases of goods by the partnership; and
- (c) the assets and liabilities of the partnership.

(3) For the purposes of subsection (2), proper books of account shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the business and financial condition of the partnership and to explain its transactions.

(4) A partner, other than a limited partner, shall cause all books of account required to be kept under subsection (2) to be retained for a minimum period of five years from the date on which they are prepared.

(5) A partner who knowingly and wilfully contravenes subsection (2) or (4) shall be subject to a penalty of five thousand dollars.”.

Amendment of section  
56 of the Partnership  
Law (2002 Revision) -  
Regulations

3. The Partnership Law (2002 Revision) is amended in section 56 as follows -

- (a) by renumbering section 56 as section 56(1); and
- (b) by inserting after section 56(1) as renumbered the following subsection -

“ (2) The Governor in Cabinet may make regulations prescribing all matters that are required or permitted by this Law to be prescribed, or are necessary or convenient to be prescribed for giving effect to the purposes of this Law.”.

Passed by the Legislative Assembly the      day of      , 2010.

Speaker.

Clerk of the Legislative Assembly.