

Limited Liability Partnerships (Amendment) Bill

Bill No. /2017

Read the first time on 2017.

A BILL

i n t i t u l e d

An Act to amend the Limited Liability Partnerships Act (Chapter 163A of the 2006 Revised Edition).

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

Short title and commencement

1. This Act may be cited as the Limited Liability Partnerships (Amendment) Act 2017 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

5 **Amendment to section 5**

2. Section 5 of the Limited Liability Partnerships Act is repealed and the following section is substituted therefor:

“Capacity

10 5.— A limited liability partnership shall, by its name, be capable of -

- (a) suing and being sued;
- (b) acquiring, owning, holding and developing or disposing of property, both movable and immovable; and;
- 15 (c) doing and suffering such other acts and things as bodies corporate may lawfully do and suffer.”.

New section 13A

3. The principal Act is amended by inserting, immediately after section 13, the following new section:

20 **“Formalities**

13A. - The provisions in the Second Schedule shall apply to a limited liability partnership.”.

New Second Schedule

25 4. The principal Act is amended by inserting the following new Schedule after the existing First Schedule, and renaming the existing Second, Third, Fourth and Fifth Schedules as Third, Fourth, Fifth and Sixth Schedules respectively:

“SECOND SCHEDULE
FORMALITIES RELATING TO CONTRACTS AND THE
EXECUTION OF DOCUMENTS

5 **Ratification by limited liability partnership of contracts
made before incorporation**

1.---(1) Any contract or other transaction purporting to be entered into by a limited liability partnership prior to its formation or by any person on behalf of a limited liability partnership prior to its formation may be ratified by the limited liability partnership after its formation and thereupon the limited liability partnership shall become bound by and entitled to the benefit thereof as if it had been in existence at the date of the contract or other transaction and had been a party thereto.

15 (2) Prior to ratification by the limited liability partnership, the person or persons who purported to act in the name or on behalf of the limited liability partnership shall, in the absence of express agreement to the contrary, be personally bound by the contract or other transaction and entitled to the benefit thereof.

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Contract by limited liability partnership

2.---(1) Subject to section 9 of the Act, a contract may be made-

(a) by a limited liability partnership, under its common seal; or

(b) on behalf of a limited liability partnership, by any person acting under its authority, express or implied.

(2) Any formalities required by law in the case of a contract made by an individual shall also apply, unless a contrary intention appears, to a contract made by or on behalf of the limited liability partnership.

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(3) A contract made by or on behalf of a limited liability partnership may be varied or discharged in the manner in which the contract is authorised to be made.

Execution of document by limited liability partnership

3.—(1) A document is executed by a limited liability partnership-

(a) by the affixing of its common seal; or

(b) by signing on behalf of the limited liability partnership-

(i) by 2 partners of the limited liability partnership,; or

(ii) by a partner of a limited liability partnership, in the presence of a witness who attests the signature.

(2) A document signed in accordance with sub-paragraph (1)(b), and expressed (in whatever words) to be executed by the limited liability partnership, has the same effect as if executed under the common seal of the limited liability partnership.

(3) Where a document is to be signed by a person on behalf of more than one limited liability partnership, it shall not be taken to be duly signed by that person for the purposes of sub-paragraph (1) unless the person signs it separately in each capacity.

(4) This paragraph shall apply in the case of a document which is executed by a limited liability partnership in the name or on behalf of another person whether or not that person is also a limited liability partnership.

Common seal

4.—(1) A limited liability partnership may have a common seal but need not have one and this paragraph shall apply whether the limited liability partnership has a common seal or not.

(2) If a limited liability partnership has a common seal, its name shall appear in legible romanised letters on the seal.

(3) A limited liability partnership shall be guilty of an offence if default is made in complying with sub-paragraph (2).

5 (4) An officer of a limited liability partnership, or any person acting on behalf of a limited liability partnership, who uses or authorises the use of any seal purporting to be a seal of the limited liability partnership on which its name does not appear shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000.

10 **Execution of document as a deed by a limited liability partnership**

5.—(1) A document is validly executed by a limited liability partnership as a deed, if, and only if -

- 15 (a) it is duly executed by the limited liability partnership; and
(b) it is delivered as a deed.

Execution of document as a deed on behalf of a limited liability partnership

20 6.—(1) A limited liability partnership may, by instrument executed as a deed, empower any person either generally or in respect of any specified matters, as its agent or attorney, to execute deeds on its behalf.

25 (2) A deed shall have the same effect as if the deed were executed by the limited liability partnership if the deed is -

(a) duly executed by an agent or attorney empowered in accordance with sub-paragraph (2) on behalf of the limited liability partnership; or

30 (b) signed by such an agent or attorney and (subject to paragraph 7) under the appropriate official seal of the limited liability partnership.

(3) The authority of an agent or attorney empowered under subparagraph (2) shall, as between the limited liability partnership and any person dealing with him, continue -

5 (a) during the period, if any, mentioned in the instrument conferring the authority; or

 (b) if no period is mentioned in the instrument conferring the authority, until notice of the revocation or determination of his authority has been given to the person dealing with him.

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Official seals for use abroad

7.—(1) A limited liability partnership that has a common seal may have for use in any place outside Singapore one or more official seals, each of which shall be a facsimile of the common seal of the limited liability partnership with the addition on its face of the name of the place where it is to be used.

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(2) The person affixing any such official seal shall, in writing under his hand, certify on the instrument to which it is affixed the date on which and the place at which it is affixed.

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(3) The official seal when duly affixed to a document has the same effect as the limited liability partnership's common seal.

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Authentication of document

8. A document or proceeding requiring authentication by a limited liability partnership may be authenticated by the signature of a duly authorised officer of the limited liability partnership and need not be authenticated under the common seal of the limited liability partnership, if any.

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Application of this Schedule

9. This Schedule shall not apply in relation to documents or instruments executed (whether or not delivered) before the commencement of [these amendments].”.

Amendment of the Fifth Schedule

5 **5.** The existing Fifth Schedule to the principal Act is amended by deleting sub-paragraph (d) of paragraph 20(2) and substituting the following paragraphs therefor:

10 “(d) use the seal of the limited liability partnership, if any; and
 (da) do all acts and execute in the name and on behalf of the limited liability partnership any deed, receipt or other document;”.

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20 *Note: This public consultation is being conducted on the draft Bill before it has been reviewed by the Attorney-General’s Chambers (AGC). The Bill may be subject to further changes after AGC’s review. The numbering of the clauses is also tentative and may be subject to further changes.*

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