



Limited Partnerships Act 1907

1907 CHAPTER 24 7 Edw 7

[^{F1}Definition and constitution of limited partnership]

4 Definition and constitution of limited partnership.

- (1) ^{F1}... Limited partnerships may be formed in the manner and subject to the conditions by this Act provided.
- (2) A limited partnership ^{F2}..., ^{F3}..., ^{F2}... must consist of one or more persons called general partners, who shall be liable for all debts and obligations of the firm [^{F4}(including debts and obligations incurred in accordance with section 38 of the Partnership Act 1890)], and one or more persons to be called limited partners ^{F5}....

[^{F6}(2A) Each limited partner in a limited partnership that is not a private fund limited partnership shall, at the time of entering into the partnership, contribute to the partnership a sum or sums as capital or property valued at a stated amount, and shall not be liable for the debts or obligations of the firm [^{F7}(including debts or obligations incurred in accordance with section 38 of the Partnership Act 1890)] beyond the amount so contributed.

(2B) A limited partner in a private fund limited partnership—

- (a) is under no obligation to contribute any capital or property to the partnership unless otherwise agreed between the partners, and
 - (b) is not liable for the debts or obligations of the firm [^{F8}(including debts or obligations incurred in accordance with section 38 of the Partnership Act 1890)] beyond the amount of the partnership property which is available to the general partners to meet such debts or obligations.]
- (3) [^{F9}Subject to subsection (3A), a limited partner] shall not during the continuance of the partnership, either directly or indirectly, draw out or receive back any part of his contribution, and if he does so draw out or receive back any such part shall be liable for the debts and obligations of the firm [^{F10}(including debts and obligations incurred in accordance with section 38 of the Partnership Act 1890)] up to the amount so drawn out or received back.

[^{F11}(3A) In the case of a limited partner in a private fund limited partnership—

Changes to legislation: There are currently no known outstanding effects for the Limited Partnerships Act 1907, Section 4. (See end of Document for details)

- (a) where the limited partnership was registered on or after 6th April 2017, subsection (3) does not apply;
 - (b) where the limited partnership was registered before 6th April 2017, subsection (3) applies only in relation to the amount of any contribution made by the limited partner when the limited partnership was not a private fund limited partnership.]
- (4) A [^{F12}body corporate][^{F12}legal entity] may be a limited partner.

Textual Amendments

- F1** Words repealed by [Statute Law Revision Act 1927 \(c. 42\)](#)
- F2** Words in s. 4(2) omitted (21.12.2002) by [S.I. 2002/3203, art. 3](#)
- F3** Words repealed by [Banking Act 1979 \(c. 37, SIF 10\), s. 51\(2\), Sch. 7](#)
- F4** Words in s. 4(2) inserted (26.10.2023 but only so far as it confers a power to make regulations or relates to the exercise of the power, otherwise prosp.) by [Economic Crime and Corporate Transparency Act 2023 \(c. 56\), ss. 129\(2\)\(a\), 219\(1\)\(2\)\(b\)](#)
- F5** Words in s. 4(2) omitted (6.4.2017) by virtue of [The Legislative Reform \(Private Fund Limited Partnerships\) Order 2017 \(S.I. 2017/514\), arts. 1\(2\), 2\(3\)\(a\)](#)
- F6** S. 4(2A)(2B) inserted (6.4.2017) by [The Legislative Reform \(Private Fund Limited Partnerships\) Order 2017 \(S.I. 2017/514\), arts. 1\(2\), 2\(3\)\(b\)](#)
- F7** Words in s. 4(2A) inserted (26.10.2023 but only so far as it confers a power to make regulations or relates to the exercise of the power, otherwise prosp.) by [Economic Crime and Corporate Transparency Act 2023 \(c. 56\), ss. 129\(2\)\(b\), 219\(1\)\(2\)\(b\)](#)
- F8** Words in s. 4(2B)(b) inserted (26.10.2023 but only so far as it confers a power to make regulations or relates to the exercise of the power, otherwise prosp.) by [Economic Crime and Corporate Transparency Act 2023 \(c. 56\), ss. 129\(2\)\(b\), 219\(1\)\(2\)\(b\)](#)
- F9** Words in s. 4(3) substituted (6.4.2017) by [The Legislative Reform \(Private Fund Limited Partnerships\) Order 2017 \(S.I. 2017/514\), arts. 1\(2\), 2\(3\)\(c\)](#)
- F10** Words in s. 4(3) inserted (26.10.2023 but only so far as it confers a power to make regulations or relates to the exercise of the power, otherwise prosp.) by [Economic Crime and Corporate Transparency Act 2023 \(c. 56\), ss. 129\(2\)\(c\), 219\(1\)\(2\)\(b\)](#)
- F11** S. 4(3A) inserted (6.4.2017) by [The Legislative Reform \(Private Fund Limited Partnerships\) Order 2017 \(S.I. 2017/514\), arts. 1\(2\), 2\(3\)\(d\)](#)
- F12** Words in s. 4(4) substituted (26.10.2023 but only so far as it confers a power to make regulations or relates to the exercise of the power, otherwise prosp.) by [Economic Crime and Corporate Transparency Act 2023 \(c. 56\), ss. 110\(3\), 219\(1\)\(2\)\(b\)](#)

Modifications etc. (not altering text)

- C1** S. 4 modified (6.6.2013) by [The Collective Investment in Transferable Securities \(Contractual Scheme\) Regulations 2013 \(S.I. 2013/1388\), regs. 1, 16\(3\) \(with reg. 24\) \(as amended \(6.4.2017\) by S.I. 2017/514, arts. 1\(2\), 5\(2\)\)](#)
- C2** S. 4(2) excluded by [S.I. 1971/782](#)

Changes to legislation:

There are currently no known outstanding effects for the Limited Partnerships Act 1907, Section 4.