



**BERMUDA**

**EXEMPTED PARTNERSHIPS ACT 1992**

**1992 : 66**

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FIRST SCHEDULE

SECOND SCHEDULE

WHEREAS it is expedient to replace the Exempted Partnerships Act, 1958, by new provisions in respect of the registration, regulation and control of exempted partnerships and for purposes connected with those matters:

Be it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Assembly of Bermuda, and by the authority of the same, as follows:—

### **Citation**

- 1 This Act may be cited as the Exempted Partnerships Act 1992.

### **Interpretation**

- 2 (1) In this Act, unless the context otherwise requires—
  - “affiliate”, in relation to a general partner, means an entity with the same beneficial owners as that general partner;
  - “appointed jurisdiction” has the meaning assigned to the term in section 2(1) of the Companies Act 1981;
  - “appointed newspaper” has the meaning assigned to the term in section 2(1) of the Companies Act 1981;
  - “Authority” means the Bermuda Monetary Authority established under section 2 of the Bermuda Monetary Authority Act 1969;
  - “Bermuda Constituent Entity” has the meaning given to that term in section 2 of the CIT Act;

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“certificate of exempted partnership” means the certificate referred to in section 5;

“CIT Act” means the Corporate Income Tax Act 2023;

“CIT Agency” means the Corporate Income Tax Agency established pursuant to the Corporate Income Tax Agency Act 2024;

“Court” means the Supreme Court;

“electronic record” has the meaning given to that expression in section 2(1) of the Electronic Transactions Act 1999;

“exempted LLC” has the meaning assigned to it in section 21 of the Limited Liability Company Act 2016;

“exempted partnership” means a partnership which satisfies the requirements of section 7(1);

“limited partnership” means a limited partnership within the meaning of section 2(1) of the Limited Partnership Act 1883 and references to “general partner” and “limited partner” shall be construed accordingly;

“Minister” means the Minister of Finance or such other Minister as may be appointed to administer this Act;

“register” means the register referred to in section 22;

“registered office” means the registered office referred to in section 10(10);

“Registrar” means the Registrar of Companies appointed under section 3 of the Companies Act 1981 or such other person as may be performing the duties of the Registrar under that Act;

“representative entity” means any company, partnership or LLC on any register administered by the Registrar of Companies together with the name and email address of a contact individual associated with such entity;

“resident representative” means the person appointed under section 17.

(2) *[Repealed]*

*[Section 2 amended by 2009:39 s.2 effective 14 September 2009; Section 2 subsection (1) "Minister" deleted and substituted by BR 5 / 2011 para. 5 effective 25 February 2011; subsection (1) definitions "affiliate" and "appointed jurisdiction" inserted, "appointed newspaper" repealed and replaced and subsection (2) repealed by 2015 : 19 s. 2 effective 28 December 2015; "exempted LLC" inserted by BR 46 / 2017 para. 2 effective 10 May 2017; Section 2 subsection (1) definition "electronic record" inserted by 2020 : 52 s. 6 effective 31 May 2021; Section 2 subsection (1) definitions "Bermuda Constituent Entity", "CIT Act", "CIT Agency" and "representative entity" inserted by 2024 : 41 s. 4 effective 28 December 2024]*

### **Delivery of electronic records to Registrar**

2A (1) The Minister may, in the regulations, provide that where there is a requirement in the Act or in any statutory instrument made under the Act for a person to

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file any document or for the Registrar to issue any certificate or other document, such filing or issuing thereof shall be made by means of an electronic record.

(2) For the purposes of subsection (1), “to file” includes to send, forward, give, deliver, provide, deposit, furnish, issue, leave at, serve, submit, circulate, lay, make available or lodge.

(3) The regulations made under subsection (1)—

(a) may provide for any other matter related to electronic records for purposes of this Act; and

(b) shall be subject to the negative resolution procedure.

*[Section 2A inserted by 2020 : 52 s. 6 effective 31 May 2021]*

### **Application**

3 This Act applies to every exempted partnership whether such exempted partnership was registered under the Exempted Partnerships Act 1958 or is registered after the coming into operation of this Act.

### **Commencement**

4 *[Repealed]*

*[Section 4 repealed by 2009:39 s.3 effective 14 September 2009]*

### **Certificate of exempted partnership**

5 (1) The persons seeking to register a partnership as an exempted partnership shall make and severally sign a certificate which shall contain the following particulars, that is to say—

(a) the name of the exempted partnership;

(b) subject to subsection (2), the names of all the partners;

(c) *[repealed]*

(d) the name of the resident representative and his address if his address is different from the address of the registered office; and

(e) the address of the registered office in Bermuda of the exempted partnership.

(f) *[repealed]*

(2) Notwithstanding subsection (1)(b), in the case of a partnership which is registered, or which the persons are seeking to register, as a limited partnership, the certificate shall contain the names and respective principal places of residence of the general partners only.

*[Section 5 subsection (1)(c) and (1)(f) repealed by 2009:39 s.4 effective 14 September 2009]*

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### **Partnership agreement**

6 The partnership agreement of an exempted partnership registered after the coming into operation of this Act shall expressly provide that the law applicable to the exempted partnership is the law of Bermuda.

*[Section 6 repealed and replaced by 2009:39 s.5 effective 14 September 2009]*

### **Requirements for registration of exempted partnership**

7 (1) Subject to the provisions of this Act, a partnership may be registered as an exempted partnership under section 9 if—

- (a) one or more of the partners—
  - (i) is an individual who does not possess Bermudian status under the provisions of the Bermuda Immigration and Protection Act 1956;
  - (ii) is a company which is not a local company for the purposes of Part IX of the Companies Act 1981; or
  - (iii) is not otherwise Bermudian for the purposes of any other law; and
- (b) the Authority has granted consent thereto under section 8, where applicable.

(2) An application for the Authority's consent to the registration of an exempted partnership shall be in such form, and be accompanied by such documents, as the Authority may require.

(3) The consent referred to in this section shall include consenting to the persons who are to be the general partners of the exempted partnership.

(4) *[Repealed by 2005:18]*

(5) *[Repealed by 2005:18]*

*[Section 7 subsections (3)-(5) repealed by 2005:18 s.2 effective 22 July 2005; subsection (1) and (2) amended and subsection (3) inserted by 2009:39 s.6 effective 14 September 2009; subsection (1) (b) amended by 2012 : 35 s. 67 effective 1 January 2013]*

### **Reserving a partnership name**

7A (1) The name of a partnership may be reserved not more than three months prior to an application being made under section 7(2) for a period not exceeding three months from the date the name is reserved.

(2) The Registrar may refuse to reserve a name if, in his opinion, the name is undesirable.

(3) To reserve a name under subsection (1), the relevant fee prescribed in the Government Fees Regulations 1976 shall be paid.

(4) In this section "partnership" means an exempted partnership and a limited partnership.

*[Section 7A inserted by 2023 : 12 s. 3 effective 1 April 2023]*

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### Consent of Authority

8 (1) Subject to subsection (1A), the Authority may grant or refuse consent to an application made under section 7(2).

(1A) Subject to subsection (1B), the consent of the Authority is not required where the partners seeking to register a partnership as an exempted partnership have engaged the services of a corporate service provider that holds an unlimited licence issued under the Corporate Service Provider Business Act 2012.

(1B) Where the partners of an exempted partnership referred to in subsection (1A) appoint any person as a general partner of the exempted partnership, the partners shall notify the Authority of the appointment (in such form as the Authority may direct) as soon as practicable, but not later than 14 days after such appointment

(a) *[Repealed by 2017 : 41 s. 16]*

(b) *[Repealed by 2017 : 41 s. 16]*

(2) Where the Authority refuses consent to an application under section 7(2), 13A(1)(c) or 13C(2) the Authority shall not be bound to give any reason for such refusal and that refusal shall not be subject to appeal or review in any court.

(3) *[Repealed]*

(4) *[Repealed]*

(5) *[Repealed]*

(6) *[Repealed]*

*[Section 8 subsection (5) repealed by 2005:37 s.2 effective 29 December 2005; subsections (1) and (2) amended and subsections (3), (4), and (6) repealed by 2009:39 s.7 effective 14 September 2009; subsection (1) amended and subsection (1A) inserted by 2012 : 35 s. 67 effective 1 January 2013; subsection (2) amended by 2015 : 19 s. 3 effective 28 December 2015; subsection (1A) amended by 2014 : 3 s. 6 effective 30 June 2016; subsection (1A) amended and subsection (1B) inserted by 2017 : 24 s. 3 effective 25 May 2017; Section 8 subsection (1B) amended by 2017 : 41 s. 16 effective 23 March 2018]*

### Registration of exempted partnership etc

9 (1) Not later than six months after the Authority has consented to an application under section 8, the partners shall deliver to the Registrar—

(a) the certificate of exempted partnership; and

(b) the consent of the Authority referred to in that section.

(c) *[repealed]*

(1A) Section 9(1)(b) shall not apply to partners seeking to register a partnership as an exempted partnership who have engaged the services of a corporate service provider that holds an unlimited licence issued under the Corporate Service Provider Business Act 2012.

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(1B) Partners seeking to register a partnership as an exempted partnership who have engaged the services of a corporate service provider that holds an unlimited licence issued under the Corporate Service Provider Business Act 2012 shall deliver to the Registrar the certificate of exempted partnership.

(2) *[Repealed]*

(3) Subject to the provisions of this Act, and, where applicable, the Registrar receives confirmation that the Authority has consented to the general partners, the Registrar shall register the certificate of exempted partnership and shall issue a certificate of registration which shall specify the date of registration of the exempted partnership and to which shall be attached a facsimile of the certificate of exempted partnership.

(4) Where the persons seeking to register a partnership as an exempted partnership under this section are also seeking, at the same time, to register that partnership as a limited partnership under the Limited Partnership Act 1883 and the Registrar thinks it appropriate so to do the Registrar may issue one certificate of registration and that certificate of registration shall—

- (a) specify the date of registration; and
- (b) have attached to it a facsimile of the certificate of exempted partnership specified in section 5 of this Act and a facsimile of the certificate specified in section 3 of the Limited Partnership Act 1883.

*[Section 9 amended by 2009:39 s.8 effective 14 September 2009; subsections (1A) and (1B) inserted, and subsection (3) amended by 2012 : 35 s. 67 effective 1 January 2013; subsections (1A) and (1B) amended by 2014 : 3 s. 6 effective 30 June 2016]*

### **Name and registered office of exempted partnership**

10 (1) The Registrar may refuse to register an exempted partnership if, in the opinion of the Registrar, the name of the exempted partnership is undesirable.

(2) The Registrar may, if in his opinion the name is not undesirable, on application by any person seeking to register an exempted partnership, reserve a name for the exclusive use of the applicant for a period not exceeding three months from the date of receipt of the application.

(3) Without prejudice to the generality of subsection (1), no exempted partnership shall be permitted to be registered with a name which is identical with the name by which another exempted partnership is registered under this Act or so nearly resembles that name as to be likely to deceive unless that other exempted partnership signifies its consent in such manner as the Registrar may require.

(4) If, through inadvertence or otherwise, an exempted partnership on its first registration or on its registration with a new name is registered with a name which in the opinion of the Registrar too closely resembles the name by which an exempted partnership in existence is already registered, the first mentioned exempted partnership may, with the sanction of the Registrar, change its name, and shall, if the Registrar so directs within six months of its being registered by that name, change its name within six

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weeks of the date of such direction or within such longer period as the Registrar may think fit to allow.

(5) If at any time after an exempted partnership has been registered it appears to the Registrar that the name under which it is registered is undesirable, the Registrar may notify the exempted partnership accordingly and may in such notification direct the exempted partnership to change its name, and the exempted partnership shall change its name within six weeks of such direction unless within that time it shall have lodged an appeal to the Court against such direction.

(6) Where an exempted partnership lodges an appeal under subsection (5), the Court may either confirm or cancel the direction of the Registrar and the decision of the Court shall be final.

(7) If an exempted partnership makes default in complying—

- (a) with a direction under subsection (4); or
- (b) subject to subsection (8), with a confirmed direction under subsection (6),

it shall be liable to a default fine of one hundred dollars for every day during which the default continues.

(8) Notwithstanding subsection (7)(b), where an exempted partnership lodges an appeal under subsection (5), the period of default shall not commence until six weeks after the decision of the Court.

(9) *[Repealed]*

(10) An exempted partnership shall, at all times, maintain a registered office, which shall not be a post office box, in Bermuda, to which all communications may be sent.

(11) Notice of the address of the registered office of an exempted partnership shall within fourteen days of the establishment of the office, be given to the Registrar.

(12) If default is made in complying with subsection (11) the exempted partnership shall be liable to a default fine of one hundred dollars for every day during which the default continues.

*[Section 10 subsections (7) and (9) amended, and (11) substituted, by 2005:18 s.3 effective 22 July 2005; subsection (9) repealed by 2009:39 s.9 effective 14 September 2009]*

### **Secondary name**

10A (1) For the purposes of this section—

“primary name” means the name of an exempted partnership stated in its certificate of registration or the changed name of the exempted partnership approved by the Registrar under section 10;

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“secondary name” means the name of an exempted partnership that is in a script other than roman script and is in addition to the primary name of the exempted partnership.

(2) An exempted partnership may apply to the Registrar for registration of a secondary name.

(3) An application for registration of a secondary name shall be in the manner and form determined by the Registrar and shall be accompanied by—

- (a) a certificate signed by a person authorized under the Commissioners for Oaths and Notaries Public Act 1972 to administer oaths certifying the accuracy of the English translation of the secondary name and certifying that the person is fluent in the language and script used to express the secondary name; and
- (b) a copy of the text of the secondary name in electronic form suitable for it being reproduced in a certificate of secondary name.

(4) Subject to subsections (1) and (3) of section 10, and upon the Registrar being satisfied as to the matters referred to in subsection (3), the Registrar shall—

- (a) enter the secondary name on the register, together with the primary name;
- (b) enter on the register the effective date of registration of the secondary name, which shall be the date of entry of the secondary name on the register; and
- (c) issue a certificate of secondary name.

(5) Subsections (2), (3) and (4) of section 10 apply, with any necessary modifications, to a change of the secondary name of an exempted partnership.

(6) Subsections (4) and (5) of section 10 apply, with any necessary modifications, to a secondary name.

(7) Except for the certificate of secondary name, the Registrar is not required to use the secondary name of an exempted partnership in certifying any documents in the register and the Registrar does not warrant the accuracy or validity of the secondary name.

(8) An exempted partnership may only use its secondary name on a document if its primary name is also shown on the document in close proximity to the secondary name.

(9) The registration of a secondary name of an exempted partnership or the use by an exempted partnership of a secondary name does not affect the rights and obligations of the exempted partnership or render defective any legal proceedings that are continued or commenced by or against the exempted partnership in its primary name.

*[Section 10A inserted by 2015 : 19 s. 4 effective 28 December 2015]*

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### Fees

11 (1) Subject to subsection (2), the fee specified in Part I of the First Schedule to this Act shall accompany an application for the Authority's consent under section 7(2), 13A(1)(c) or 13C(2).

(2) Where the persons applying for the Authority's consent—

- (a) to register a partnership as an exempted partnership under section 7(2) or 13A(1)(c); or
- (b) to register an exempted partnership that has converted from an exempted company pursuant to section 132N of the Companies Act 1981,

are also applying at the same time, for the Authority's consent to register that partnership as a limited partnership under section 4(2) of the Limited Partnership Act 1883 then, notwithstanding any provision with respect to the payment of a fee in relation to an application for consent under that Act, the fee specified in Part II, of the First Schedule to this Act shall be the fee payable in respect of, and shall accompany, such application.

(3) Subject to subsections (4), (5) and (6) and section 25(3), the fees referred to under subsection (3A) shall apply to the persons seeking to register—

- (a) a partnership as an exempted partnership; or
- (b) a partnership as an exempted partnership and as a limited partnership pursuant to section 9(4).

(3A) The persons referred to under subsection (3) shall pay to the Registrar the registration fee and the corporate regulatory fee specified in Part III of the First Schedule to this Act—

- (a) at the time of registration of that partnership; and
- (b) thereafter, on or before 31 January in each year.

(4) Where a partnership referred to in subsection (3)(a) or (b) is registered after August 31 in any year, the registration fee payable under subsection (3A) at the time of such registration shall be one half the amount specified in Part III of the First Schedule to this Act.

(5) Subject to subsection (6), where in any year a partnership referred to in subsection (3)(a) or (b) fails to pay the annual fee, every partner shall be guilty of an offence and shall be liable on conviction by a court of summary jurisdiction to a fine not exceeding one hundred dollars for every day during which the default continues.

(6) Notwithstanding subsection (5), but subject to subsection (7), where—

- (a) in any year a partnership referred to in subsection (3)(a) or (b) fails to pay the annual fee; and
- (b) the Registrar is satisfied that that failure is not due to the wilful neglect of the partners,

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the Registrar may accept payment of the sum due together with a penalty of three hundred and fifteen dollars and upon such acceptance the provisions of subsection (5) shall not apply.

(7) Notwithstanding the provisions of subsections (5) and (6), where—

- (a) in any year a partnership referred to in subsection (3)(a) or (b) fails to pay the annual fee; and
- (b) thereafter fails for a period of three months commencing on the first day of February in that year to pay that fee,

the partnership may, by order of the Court on petition to that court by the Registrar, be dissolved.

(8) For the avoidance of doubt it is hereby declared that subsection (7) does not affect the application of subsection (5).

(9) The fees specified in Part IV of the First Schedule shall, in addition to the fees specified in Parts I to III and Parts V to VII of that Schedule, be payable in respect of the matters specified in Part IV.

(10) The Minister may, from time to time, by order, amend the First Schedule to this Act and such order shall be subject to the affirmative resolution procedure.

(11) In this section and in section 12, “annual fee” means the fee referred to in subsection (3)(d).

*[Section 11 amended by 1998:14 effective 1 April 1998; subsection (6) amended by 2000:17 s.2 effective 1 April 2000; subsections (1) and (2) amended by 2009:39 s.10 effective 14 September 2009; subsections (1) and (9) amended and subsection (2) repealed and substituted by 2015 : 52 s. 2 effective 28 December 2015; Section 11 amended by 2024 : 5 s. 6 effective 1 January 2024 (commencement date amended by 2024 : 15 s. 3 effective 15 July 2024)]*

### **Submission of declaration**

12 (1) An exempted partnership shall, on or before January 31 in each year, send to the Registrar, together with the annual fee, a declaration in writing signed by a partner or by a person duly authorized to sign on behalf of the partnership stating the general nature of the business transacted by the exempted partnership and stating whether or not the exempted partnership is carrying on a relevant activity as such term is defined in the Economic Substance Act 2018, and the type of relevant activity carried on by the exempted partnership.

(1A) A declaration submitted pursuant to this section shall also include a statement whether or not the partnership is (or will be upon the commencement of the CIT Act) a Bermuda Constituent Entity and, if a Bermuda Constituent Entity, details of its representative entity in Bermuda for these purposes.

(2) If an exempted partnership fails to send a declaration to the Registrar in compliance with subsection (1), every partner shall be liable to a penalty of two hundred and fifty dollars, payable to the Registrar.

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(3) Information submitted pursuant to subsection (1A) shall be shared by the Registrar with the CIT Agency but shall not be publicly available.

(4) Where the Registrar has received a declaration that does not contain the information required pursuant to subsection (1A), he may require the re-submission of an additional declaration that shall include the omitted information, notwithstanding the original declaration was filed prior to the date of commencement of this subsection but provided that where such original declaration was submitted prior to the date of commencement of this subsection, such omission shall not constitute an offence.

*[Section 12 subsection (1) amended by 2019 : 50 s. 9 effective 24 December 2019; Section 12 subsections (1A), (3) and (4) inserted by 2024 : 41 s. 4 effective 28 December 2024]*

### **Change in respect of exempted partnership**

13 (1) Subject to the provisions of this section, the partners of an exempted partnership may, from time to time—

- (a) subject to subsection (1A) and subsection (1B), with the consent of the Authority upon application by the partnership, change any of the general partners;
- (b) subject to section 10 (with any necessary modifications), change the name of the partnership;
- (c) change the resident representative;
- (d) change the address of the resident representative; and
- (e) change the address of the registered office.

(1A) Subject to subsection (1C), the consent of the Authority is not required where the partners of an exempted partnership seeking to change any of the general partners have engaged the services of a corporate service provider that holds an unlimited licence issued under the Corporate Service Provider Business Act 2012.

(1B) The consent of the Authority is not required in relation to a change of general partner where such change is to an affiliate of that general partner; provided that, the partnership shall file a written notice of the change of general partner with the Authority as soon as practicable, but not later than 14 days after the date of such change.

(1C) Where, under subsection (1A), the partners of an exempted partnership change any of the general partners of the exempted partnership, the partners shall notify the Authority of the change (in such form as the Authority may direct) as soon as practicable, but not later than 14 days after such change

(a) *[Repealed by 2017 : 41 s. 16]*

(b) *[Repealed by 2017 : 41 s. 16]*

(2) *[Repealed by 2009:39]*

(3) *[Repealed by 2009:39]*

(4) *[Repealed by 2005:18]*

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(5) The partners shall, before a change referred to in this section is made—

- (a) make and severally sign a supplementary certificate supplementing, as the circumstances require, the certificate of exempted partnership; and
- (b) deliver the supplementary certificate to the Registrar for registration by him in the register.

(5A) Subject to the provisions of this section, a change referred to in subsection (1) is effective on the date of registration of the supplementary certificate by the Registrar under subsection (5)(b).

(6) The provisions of section 8 shall, *mutatis mutandis*, apply to an application made under subsection 1(a) of this section as they apply to an application made under section 7(2).

(7) Where a change referred to in subsection (1) is made otherwise than in accordance with the provisions of this section, the

Minister may petition the Court for the dissolution of the exempted partnership.

(8) If the Court, on the hearing of a petition under subsection (7), is satisfied that a partner or a person duly authorized by the partners has contravened or caused or permitted the contravention of a provision of subsection 1(a), the Court may—

- (a) make an order for the dissolution of the exempted partnership;
- (b) impose a fine not exceeding seven thousand five hundred dollars on any partner or duly authorized person, as the case may be, who knowingly and wilfully contravened, or otherwise caused or permitted the contravention; or
- (c) make such order and impose such fine.

(9) *[Repealed by 2009:39]*

*[Section 13 amended by 1995:34 effective 14 July 1995; subsection (1)(b)-(e) substituted for (1)(b) by 2001:23 s.3 effective 8 August 2001; subsection (4) repealed by 2005:18 s.4 effective 22 July 2005; section 13 subsections (1), (5), (6), and (7) amended and subsections (2), (3), and (9) repealed by 2009:39 s.11 effective 14 September 2009; Section 13 amended by 1995:34 effective 14 July 1995; subsection (1)(b)-(e) substituted for (1)(b) by 2001:23 s.3 effective 8 August 2001; subsection (4) repealed by 2005:18 s.4 effective 22 July 2005; section 13 subsections (1), (5), (6), and (7) amended and subsections (2), (3), and (9) repealed by 2009:39 s.11 effective 14 September 2009; subsection (8) (b) amended by 2011 : 20 s. 4 effective 28 June 2011; subsection (1) amended, and subsection (1A) inserted by 2012 : 35 s. 67 effective 1 January 2013; subsection (1)(a) amended and subsection (1B) inserted by 2015 : 19 s. 5 effective 28 December 2015; subsection (1A) amended by 2014 : 3 s. 6 effective 30 June 2016; subsection (1A) amended and subsection (1C) inserted by 2017 : 24 s. 3 effective 25 May 2017; Section 13 subsections (1B) and (1C) amended by 2017 : 41 s. 16 effective 23 March 2018]*

### Registration by way of continuation in Bermuda

13A (1) Any partnership established under the laws of a jurisdiction other than Bermuda (a “foreign partnership”), may—

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- (a) upon obtaining all necessary authorizations (if any) required under the laws of such jurisdiction;
- (b) upon effecting such amendments to its partnership agreement as shall be necessary to comply with this Act and the Limited Partnership Act 1883, where necessary;
- (c) upon application to the Authority for consent and the payment of such fee as the Minister may prescribe in the First Schedule; and
- (d) upon filing the consent of the Authority together with the certificate required by section 5(1) of this Act and section 4(1) of the Limited Partnership Act 1883,

be registered under this Act and the Limited Partnership Act 1883 and, with effect from the date indicated on the certificate of registration issued by the Registrar pursuant to section 9(3) of this Act, shall be governed thereafter as an exempted partnership in accordance with this Act, the Limited Partnership Act 1883 and the Partnership Act 1902.

(2) The Authority may grant or refuse consent to an application made under subsection (1).

(3) With effect from the date indicated on the certificate of registration referred to in subsection (1), the exempted partnership and the partnership interests of related parties and their rights and liabilities, as against any person who is not a partner, shall cease to be governed by the laws of such other jurisdiction.

(4) Upon continuance of a foreign partnership as a partnership under this Act as described in subsection (1)–

- (a) the property of the foreign partnership so continued continues to be the property of the exempted partnership;
- (b) the exempted partnership continues to be liable for the obligations of the foreign partnership;
- (c) any existing cause of action, claim or liability to prosecution in respect of the foreign partnership is unaffected;
- (d) any civil, criminal or administrative action or proceeding pending by or against the foreign partnership may be continued by or against the exempted partnership;
- (e) any conviction against, or any ruling, order or judgment in favour of or against the foreign partnership may be enforced by or against the exempted partnership.

(5) The rights, privileges, powers and interests in property of the foreign partnership that has continued in Bermuda, shall not be deemed, as a consequence of the continuation, to have been transferred to the exempted partnership to which the foreign partnership has continued for any purpose of the laws of Bermuda.

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(6) The continuation of a foreign partnership under this section shall not be deemed to—

- (a) create a new legal entity; or
- (b) prejudice or affect the continuity of the body corporate which was formerly a foreign partnership, now an exempted partnership continued in Bermuda under this section.

(7) The courts shall apply the laws of evidence and the rules of procedure with the intent that no claimant against the continued foreign partnership shall be prejudiced in pursuing in or under the laws of Bermuda a bona fide claim that existed prior to the date of continuance and which could have been pursued under the laws then governing such foreign partnership.

*[Section 13A inserted by 2015 : 19 s. 6 effective 28 December 2015; subsection (1) amended by 2016 : 25 s. 2 effective 22 June 2016]*

### **De-registration by way of continuation**

13B (1) Any partnership registered under this Act may—

- (a) upon payment of such fee as the Minister may prescribe in the First Schedule;
- (b) upon filing a statement or declaration signed by all the partners confirming the intention to de-register and to continue under the laws of a foreign jurisdiction which is an appointed jurisdiction, and confirming the matters set out in subsection (2),

be de-registered under this Act with effect from the date indicated on the certificate of de-registration issued by the Registrar, and shall be governed thereafter as a partnership established under the laws of such appointed jurisdiction.

(2) The Registrar shall issue a certificate of de-registration and de-register a partnership if—

- (a) the Registrar is satisfied that the partnership is in good standing with the Registrar and all outstanding fees due to be paid in relation to the partnership to the Registrar are paid;
- (b) the partnership has filed with the Registrar the address of the registered office or the principal business address of the partnership in the jurisdiction in which the partnership will continue;
- (c) within thirty days of the issue thereof, a copy of the following has been filed with the Registrar—
  - (i) the instrument of continuance issued to the partnership by the appropriate authority of the appointed jurisdiction into which the partnership has been continued; or

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- (ii) if no such instrument of continuance is issued, such other documentary evidence of such continuance as shall be issued by such appropriate authority;
  - (d) a declaration has been signed by a partner stating that the partnership is solvent and can meet all of its liabilities and obligations and that the de-registration will not adversely affect the interests or rights of bona fide creditors and partners;
  - (e) an irrevocable deed poll is executed by a partner pursuant to which—
    - (i) such partnership and its partners may be served with legal process in Bermuda in any proceedings arising out of actions or omissions of such partnership prior to the de-registration and provision is made for the appointment of a person within Bermuda as agent for such partnership for the service of process for a period of not less than three years from the date of de-registration and for a signed acceptance of the appointment; or
    - (ii) such partnership and its partners may be served with legal process at a specified address in the United Kingdom, the United States of America or any appointed jurisdiction, and whereby such partnership and its partners submit to the non-exclusive jurisdiction of the courts of that country or jurisdiction; and
  - (f) at least fourteen days prior to the de-registration such partnership advertises in an appointed newspaper and in a national newspaper in each jurisdiction within which it carried on a substantial part of its business activities its intention to de-register under this Act and continue in the named jurisdiction.
- (3) With effect from the date indicated on the certificate of de-registration, the exempted partnership and the partnership interests of the related parties and their rights and liabilities, as against any person who is not a partner, shall cease to be governed by the laws of Bermuda, save in respect of any act or omission occurring before such date which shall continue to be governed by the laws of Bermuda.
- (3A) The date of the de-registration of a partnership pursuant to this section shall be the date that such partnership's continuance in the appointed jurisdiction is effective pursuant to the laws of such other jurisdiction and that date shall be indicated on the certificate of de-registration.
- (4) Without prejudice to the generality of subsection (3), such de-registration shall not—
- (a) create a new legal entity;
  - (b) prejudice or affect the continuity of the partnership which was formerly an exempted partnership that was subject to this Act;
  - (c) affect the property previously acquired by or on behalf of the partnership;

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- (d) affect any act or thing done prior to such de-registration or the rights, powers, authorities, functions or obligations of the partnership, any partner or any other person prior thereto; or
- (e) render defective any legal proceedings by or against the exempted partnership or any partner or any other person.

(5) The rights, privileges, powers and interests in property of the exempted partnership that has de-registered and continued overseas, shall not be deemed, as a consequence of the de-registration, to have been transferred to the exempted partnership so de-registered and continued for any purpose of the laws of Bermuda.

(6) In this section, “certificate of de-registration” means the certificate of de-registration issued by the Registrar pursuant to subsection (2).

*[Section 13B inserted by 2015 : 19 s. 6 effective 28 December 2015; subsections (1) and (3) amended and subsections (3A) and (6) inserted by 2016 : 25 s. 2 effective 22 June 2016]*

### **Conversion of exempted partnership to exempted company**

13C (1) Any partnership established under this Act and the Limited Partnership Act 1883 that has elected under section 4A or 4BA of the Partnership Act 1902 to have legal personality may—

- (a) in such manner as may be authorized by its partnership agreement;
- (b) upon payment of such fee as the Minister may prescribe in the First Schedule;
- (c) if, at least fourteen days prior to its application under subsection (2), the partnership has advertised in an appointed newspaper and in a national newspaper in each jurisdiction within which it carried on a substantial part of its business activities its intention to make the application;
- (d) upon application to the Authority under subsection (2); and
- (e) upon filing such documents as are required for registration of an exempted company under the Companies Act 1981,

convert to an exempted company and be registered as such under the Companies Act 1981 and, with effect from the date indicated on the certificate of conversion issued by the Registrar pursuant to subsection (6), shall be governed thereafter as an exempted company in accordance with the Companies Act 1981.

(2) An application for the Authority’s consent to the conversion by an exempted partnership to an exempted company shall be in such form, and be accompanied by the advertisement referred to in subsection (1)(c) and by such documents, as the Authority may require.

(3) An application for conversion to an exempted company shall be in the prescribed form, shall be filed with the Authority and shall include—

- (a) the name of the exempted partnership;

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- (b) the date of the filing of its original certificate of exempted partnership pursuant to section 5(1);
  - (c) the name of such exempted partnership as altered to include the word Limited or its abbreviation Ltd.;
  - (d) the future effective date or time (which shall be a date or time certain) of the conversion if it is not to be effective as of the filing date of the certificate required by section 5(1);
  - (e) that the conversion has been approved in such manner as may be authorized by the partnership agreement of the exempted partnership;
  - (f) the memorandum of association of the exempted company;
  - (g) the registered office address of the exempted company; and
  - (h) confirmation that the partners have approved in writing the form of bye-laws of the continuing exempted company which conform to the requirements of the Companies Act 1981 and any other applicable law of Bermuda.
- (4) The Authority may grant or refuse consent to an application made under this section.
- (5) Not later than six months after the Authority has consented to an application under subsection (3), the partners shall deliver to the Registrar—
- (a) a copy of the application for conversion filed under subsection (3);
  - (b) the consent of the Authority under subsection (4); and
  - (c) a declaration signed by a partner stating that the partnership is solvent and can meet all of its liabilities and obligations and that the conversion will not adversely affect the interests or rights of bona fide creditors and partners; and
  - (d) the certificate required under section 5(1).
- (6) Where the Registrar receives confirmation that the Authority has consented to the conversion, the Registrar shall issue a certificate of conversion which shall specify the date of conversion of the exempted partnership to an exempted company.
- (7) Upon conversion of a partnership to an exempted company under this section—
- (a) the property of the partnership so converted continues to be the property of the exempted company;
  - (b) the exempted company continues to be liable for the obligations of the partnership;
  - (c) any existing cause of action, claim or liability to prosecution in respect of the partnership is unaffected;

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- (d) any civil, criminal or administrative action or proceeding pending by or against the partnership may be continued by or against the exempted company; and
- (e) any conviction against, or any ruling, order or judgment in favour of or against the partnership may be enforced by or against the exempted company.

(8) The rights, privileges, powers and interests in property of the exempted partnership that has converted, shall not be deemed, as a consequence of the conversion, to have been transferred to the exempted company to which the exempted partnership has so converted for any purpose of the laws of Bermuda.

(9) The conversion of a partnership to an exempted company under this section shall not be deemed to—

- (a) create a new legal entity;
- (b) require such partnership to wind up its affairs or apply for cancellation under section 20, and the conversion shall not constitute a dissolution of such partnership; and
- (c) prejudice or affect the continuity of the body corporate which was formerly a partnership, now converted to an exempted company under this section.

*[Section 13C inserted by 2015 : 19 s. 6 effective 28 December 2015; Section 13C subsection (1) amended by 2018 : 6 s. 6 effective 1 April 2018]*

### **Effect of conversion of exempted company to exempted partnership**

13D (1) An exempted company may convert to an exempted partnership with legal personality upon satisfaction of the requirements set out in—

- (a) section 4A of the Partnership Act 1902; and
- (b) section 132N of the Companies Act 1981.

(2) With effect from the date indicated on the certificate of conversion issued by the Registrar under section 132N(7) of the Companies Act 1981, the exempted company shall be governed thereafter as an exempted partnership in accordance with this Act, the Limited Partnership Act 1883 and the Partnership Act 1902.

(3) For any exempted company so converted, the certificate of conversion shall be deemed to be the certificate of registration for the purposes of this Act.

*[Section 13D inserted by 2015 : 19 s. 6 effective 28 December 2015]*

### **Effect of conversion of exempted LLC to exempted limited partnership**

13E (1) An exempted LLC may convert to a partnership that is both exempted and limited with legal personality upon satisfaction of the requirements set out in—

- (a) section 4A of the Partnership Act 1902; and

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(b) section 102 of the Limited Liability Company Act 2016.

(2) The effective date of the conversion of an exempted LLC to a partnership shall be the date of filing with the Registrar of the certificate of conversion or any later date or time (which shall be a date or time certain) specified in the certificate of conversion.

(3) With effect from the date indicated on the certificate of conversion filed with the Registrar under section 102 of the Limited Liability Company Act 2016, the exempted LLC shall be governed as a partnership in accordance with this Act.

(4) For any exempted LLC so converted, the certificate of conversion shall be deemed to be the certificate of registration for the purposes of this Act.

(5) *[repealed]*

*[Section 13E inserted by 2016 : 40 s. 258 effective 1 October 2016; subsection (5) repealed by BR 46 / 2017 para. 2 effective 10 May 2017]*

### **Conversion of exempted limited partnership to exempted LLC**

13F (1) A partnership that is both exempted and limited and that has elected to have legal personality pursuant to the Partnership Act 1902, may convert to an exempted LLC upon satisfaction of the requirements set out in section 103 of the Limited Liability Company Act 2016.

(2) The effective date of the conversion of an exempted limited partnership to an exempted LLC shall be the date of filing with the Registrar of the certificate of conversion or any later date or time (which shall be a date or time certain) specified in the certificate of conversion.

(3) With effect from the date indicated on the certificate of conversion filed with the Registrar under section 103 of the Limited Liability Company Act 2016, the exempted limited partnership shall be governed as an exempted LLC in accordance with the Limited Liability Company Act 2016.

*[Section 13F inserted by BR 46 / 2017 para. 2 effective 10 May 2017]*

### **Beneficial ownership register**

13G (1) Pursuant to sections 4M to 4ZE of the Partnership Act 1902, an exempted partnership shall keep a beneficial ownership register.

(2) Sections 4M to 4ZE of the Partnership Act 1902 apply with the necessary modifications with respect to the beneficial ownership register required to be kept by an exempted partnership.

*[Section 13G inserted by 2018 : 4 s. 5 effective 23 March 2018]*

### **Records of account**

14 (1) An exempted partnership shall keep proper records of account with respect to its business including, without limiting the generality of the foregoing, records of account with respect to its assets, liabilities and capital, cash receipts and disbursements, purchases and sales and income costs and expenses.

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(2) Subject to subsection (3), the records of account shall be kept at the registered office or at such other place as the partners think fit, and shall at all times be open to inspection by the partners, including limited partners, if any, and the resident representative.

(3) If the records of account are kept at a place outside Bermuda, there shall be kept at the registered office such records of account as will enable the financial position of the exempted partnership, at the end of each three month period, to be ascertained with reasonable accuracy.

(4) If an exempted partnership fails to comply with the provisions of subsection (1), (2) or (3), every partner shall be guilty of an offence and liable on conviction by a court of summary jurisdiction to a fine not exceeding five hundred dollars.

(5) If any partner refuses to make available the records of account for inspection by another partner or by the resident representative, the Court may, on application by the second mentioned partner or the resident representative, order the partner so refusing to make the records of account available.

(6) Every exempted partnership shall keep from the date on which they were prepared, for a period of five years, records of account referred to in subsection (1) and, if applicable, subsection (3).

(7) Any partner of an exempted partnership who knowingly contravenes, permits or authorizes the contravention of subsection (6) shall be guilty of an offence and liable on conviction to a fine of seven thousand five hundred dollars.

*[Section 14 subsections (6) and (7) inserted by 2011 : 20 s. 4 effective 28 June 2011]*

### **Keeping of records of account and beneficial ownership register after dissolution**

14A (1) When an exempted partnership has been dissolved, the partner or partners or such other person as may be appointed to wind up the affairs of the exempted partnership (the "responsible person") shall—

- (a) keep the records of account of the exempted partnership referred to in section 14 which are in existence at the date of dissolution of the exempted partnership relating to the exempted partnership, for five years from the end of the period to which such records of account relate;
- (b) keep the beneficial ownership register referred to in section 4R of the Partnership Act 1902 which is in existence at the date of dissolution of the exempted partnership for five years from the date of the conclusion of the winding up of the affairs of the exempted partnership;
- (c) keep the books and papers of the responsible person relating to the winding up of the affairs of the exempted partnership for five years from the date of the conclusion of the winding up of the affairs of the exempted partnership;
- (d) where applicable, keep the records specified in regulation 15 of the Proceeds of Crime (Anti-Money Laundering and Anti-Terrorist Financing) Regulations 2008 that are in existence at the date of dissolution of the

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exempted partnership, in relation to the exempted partnership for the period specified in regulation 15.

(2) Where the certificate of an exempted partnership is cancelled, the partners at the date when such certificate is cancelled shall ensure that the beneficial ownership register of the partnership referred to in section 4R of the Partnership Act 1902 that is in existence on that date shall be kept for a minimum of five years from the date of the certificate of cancellation.

(3) In this section, “responsible person” means—

- (a) the partner or partners responsible for the winding up of the affairs of the exempted partnership; or
- (b) such other person appointed to wind up the affairs of the exempted partnership,

and, where the responsible person is a person referred to in paragraph (b), that person, for the purposes of paragraphs (a) to (d) of subsection (1), shall be required to keep, for the period specified in each of those paragraphs, the records of account, beneficial ownership register, books, papers and records that have been provided to him.

*[Section 14A inserted by 2018 : 4 s. 5 effective 23 March 2018]*

### **Financial statements**

15 (1) The partners of an exempted partnership shall, subject to section 16, at such intervals and for such periods as the articles of partnership provide, cause to be prepared—

- (a) in accordance with generally accepted accounting principles, financial statements which shall include—
  - (i) a statement of the results of operations for the period;
  - (ii) a statement of retained earnings or deficit;
  - (iii) a balance sheet at the end of such period; and
  - (iv) such further information as may be required by the articles of partnership; and
- (b) the report of an auditor in respect of the financial statements specified in paragraph (a).

(2) Subject to section 16, if an exempted partnership fails to comply with subsection (1), every partner shall be guilty of an offence and liable on conviction by a court of summary jurisdiction to a fine not exceeding one thousand dollars.

### **Power to waive preparation of financial statements**

16 Notwithstanding section 15, if in respect of a particular interval all the partners, including limited partners, if any, agree in writing that no financial statement or auditor’s report thereon needs to be prepared, there shall be no obligation to cause a financial statement or auditor’s report to be prepared for that interval.

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### Resident representative

17 (1) An exempted partnership shall appoint, and at all times maintain in Bermuda, a resident representative.

(2) Where a resident representative knows or has reasonable cause to believe—

- (a) that an exempted partnership has changed a matter referred to in section 13 and, in a case where the Authority's consent is required under subsection (1)(a) of that section, no consent has been obtained;
- (b) *[repealed]*
- (c) that the exempted partnership has failed to deliver to the Registrar for registration by him a supplementary certificate referred to in section 13(5)(b);
- (d) that the exempted partnership has failed to pay any fee required by any provision of this Act; or
- (e) that the exempted partnership is not keeping records of account in accordance with section 14, or is in contravention of any requirement in respect of the preparation of financial statements or audit under section 15,

the resident representative shall, within thirty days of any of the matters specified in paragraphs (a) to (e) coming to his knowledge or belief, as the case may be, make a written report to the Minister and such report shall contain all the information that is available to the resident representative.

(3) Where a resident representative knows or has reasonable cause to believe that an exempted partnership has commenced winding up its affairs consequent on the dissolution of the exempted partnership, the resident representative shall forthwith give written notice of that fact or that belief, as the case may be, to the Minister.

(4) A resident representative who fails to comply with subsection (2) or (3) is guilty of an offence and liable on conviction by a court of summary jurisdiction to a fine not exceeding five thousand dollars.

(5) A resident representative is entitled to—

- (a) attend, be heard at, and receive minutes of all proceedings of, all meetings of an exempted partnership;
- (b) receive notice of any exempted partnership meeting; and
- (c) file any documents and make any applications required or permitted under this Act.

(6) An accidental omission to give the notice referred to under subsection (5)(b) shall not invalidate any action taken at any such meeting.

*[Section 17 subsections (5) and (6) inserted by 2005:18 s.5 effective 22 July 2005; subsection (1) substituted 2005:37 s.3 effective 29 December 2005; subsection (2) amended by 2009:39 s.12 effective 14 September 2009]*

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### **Appointment and duties of inspector**

18 (1) The Minister may at any time appoint one or more inspectors to investigate the affairs of an exempted partnership and to report thereon in such manner as the Minister may direct.

(2) The expenses of and incidental to such investigation shall be defrayed by the exempted partnership unless the Minister otherwise directs.

(3) A partner or a resident representative of an exempted partnership shall produce to an inspector such books or documents as the inspector may require for the purposes of his investigation.

(4) A partner or a resident representative of an exempted partnership who, in the course of an investigation of the affairs of the exempted partnership—

- (a) refuses to produce any book or document required by the inspector to be produced; or
- (b) refuses to answer any question relating to the affairs of the exempted partnership,

shall be guilty of an offence and shall be liable on conviction by a court of summary jurisdiction to a fine not exceeding five thousand dollars.

(5) An inspector may take evidence upon oath in investigating the affairs of an exempted partnership and for that purpose may administer an oath.

(6) An investigation under this section shall be held in private unless an exempted partnership requests that it be held in public.

(7) An inspector investigating the affairs of an exempted partnership may from time to time report to the Minister and shall, on completion of the investigation—

- (a) submit a written report to the Minister; and
- (b) submit a copy of such report to all the partners, including limited partners, if any.

(8) Except at the request of an exempted partnership or on the direction of the Minister, no other person shall be informed of the nature or contents of a report referred to in subsection (7).

(9) If the Minister, after examining a report referred to in subsection (7)(a), considers that an exempted partnership, a partner, the resident representative or any officer, agent or employee of the exempted partnership—

- (a) has knowingly and wilfully done anything in contravention of this Act, the Minister may direct the Registrar to petition the Court for the dissolution of the exempted partnership; or
- (b) is carrying on the affairs of the exempted partnership in a manner that is detrimental to the interests of the creditors of the exempted partnership, the Minister may require the exempted partnership to take such measures as he considers necessary in relation to its affairs.

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(10) A copy of a petition referred to in subsection (9)(a) shall be served on the exempted partnership at least seven clear days before the day set by the Court for the hearing thereof.

(11) If the Court, on the hearing of a petition referred to in subsection (9)(a), is satisfied that the exempted partnership or a partner, or the resident representative or any officer, agent or employee of the exempted partnership, has done anything in contravention of the provisions of this Act, the Court may—

- (a) make an order for the dissolution of the exempted partnership;
- (b) impose a fine not exceeding two thousand dollars on the exempted partnership;
- (c) impose a like fine on any partner or resident representative or any officer, agent or employee of the exempted partnership who knowingly and wilfully authorized or permitted such contravention; or
- (d) make an order under paragraph (a) and impose a fine under paragraph (b) and (c).

(12) Any proceedings in connection with the holding of an investigation by an inspector in pursuance of the provisions of this section shall, for the purposes of those provisions of the Criminal Code relating to perjury, be deemed to be judicial proceedings.

### **Restrictions on carrying on business, etc**

19 (1) An exempted partnership shall not—

- (a) acquire or hold land in Bermuda except land required for its business held by way of lease or tenancy agreement for a term not exceeding fifty years;
- (b) take any mortgage of land in Bermuda without the prior written consent of the Minister;
- (c) acquire any bonds, or debentures secured on any land in Bermuda except bonds or debentures issued by the Government or a public authority;
- (d) *[repealed by 2005:18]*
- (e) carry on business of any kind or type whatsoever in Bermuda either alone or in partnership or otherwise except—
  - (i) carrying on business with persons outside Bermuda;
  - (ii) doing business in Bermuda with an exempted undertaking in furtherance only of the business of the exempted partnership carried on outside Bermuda;
  - (iii) buying or selling or otherwise dealing in shares, bonds, debenture stock obligations, mortgages or other securities or investments issued or created by an exempted undertaking or a local company (as

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defined by the Companies Act 1981), or any partnership which is not an exempted undertaking;

- (iv) transacting banking business in Bermuda with and through an institution licensed as a bank under the Banks and Deposit Companies Act 1999;
- (v) effecting or concluding contracts in Bermuda, and exercising in Bermuda all other powers, so far as may be necessary for the carrying on of its business with persons outside Bermuda;
- (vi) acting as manager or agent for, or consultant or adviser to, the business of an exempted undertaking whether or not such business is the sole business of the exempted partnership;
- (vii) in accordance with subsection (9)—
  - (aa) marketing of shares or dealing with holders of the shares of an exempted company where the exempted company is a mutual fund;
  - (bb) marketing interests in or dealing with holders of interests in a limited partnership in respect of which the exempted partnership is a general partner;
  - (cc) marketing units in or dealing with holders of units in a unit trust fund in respect of which the exempted partnership is a manager.

(2) Nothing in subsection (1)(e) shall be taken to prohibit an exempted partnership from effecting or concluding contracts or arrangements with persons in Bermuda for the supply of goods and services to the exempted partnership necessary for the purpose of enabling the exempted partnership to carry on its business with persons outside Bermuda.

(2A) Nothing in subsection (1)(e) shall prohibit an exempted partnership from offering goods or services electronically from a place of business in Bermuda or through an internet or other electronic service provider located in Bermuda.

(3) An exempted partnership shall not engage in, or carry on the business of, conveying or arranging for the conveyance of passengers, goods or mail by ship whether such conveyance is within or outside the waters of Bermuda or partly within and partly outside those waters except—

- (i) where the ship is owned, operated or chartered by or on behalf of the exempted partnership;
- (ii) where the conveyance is of a passenger employed by the exempted partnership or of goods which are or are to become the property of the exempted partnership; or
- (iii) when the business is negotiated by a local company as defined by the Companies Act 1981.

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(4) Notwithstanding anything in this Act, an exempted partnership shall not engage in retail trade in Bermuda, including retail trade with another exempted undertaking or any other person.

(5) *[Repealed]*

(6) If an exempted partnership does anything in contravention of the provisions of subsection (1), then the land, merchandise, stocks, shares, bonds, debentures, securities, property or other interests so acquired or disposed of, taken or held, will be liable to escheat under the Escheats Act 1871 or under any other Act relating to escheat.

(7) It is hereby declared that in any proceedings for escheat under subsection (6), the question whether any land, merchandise, stocks, shares, bonds, debentures, securities, property or other interests have been taken, acquired, disposed of or held in contravention of the provisions of subsection (1), shall be decided as a question of fact.

(8) In this section the expression “exempted undertaking” has the meaning assigned to it by section 2 of the Companies Act 1981.

(9) For the purposes of subsection (1)(e)(vii), an exempted partnership shall be deemed to be marketing or dealing with holders of shares, interests or units if it undertakes any of the following activities in Bermuda—

- (a) the offering of such shares, interests or units for subscription or purchase by way of a prospectus or otherwise;
- (b) the acceptance of subscriptions for, or of offers to purchase, or of applications to redeem, such shares, interests or units;
- (c) the distribution of shareholder, limited partnership or unit-holder information to holders of such shares, interests or units;
- (d) making it known, by way of advertisement or otherwise, that it may be contacted at an address in Bermuda for the purpose of communicating with holders of such shares, interests or units or the distribution and collection of shareholder, limited partnership or unit-holder information; and
- (e) any other dealing with the holders of such shares, interests or units with respect to any such shares, interests or units held by them.

*[Section 19 subsection (2A) inserted by 1999:26 s.33 & Sch effective 4 October 1999; subsection (1)(e) (iv) amended by BR81/1999 effective 1 January 2000; subsection (1) paras (a) and (e) amended, para (d) repealed, and subsection (9) inserted, by 2005:18 s.6 effective 22 July 2005; subsection (1) amended, subsection (4) repealed and replaced, and subsection (9) repealed by 2009:39 s.13 effective 14 September 2009]*

### **Other restricted and prohibited activities**

19A Notwithstanding anything in this Act, sections 4A and 4B, and the Ninth and Tenth Schedules, of the Companies Act 1981 apply to an exempted partnership in the

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same manner as they apply to a company under that Act, with any necessary modifications.

*[Section 19A inserted by 2009:39 s.14 effective 14 September 2009]*

### **Cancellation of exempted partnership**

20 (1) Within thirty days after the commencement of the winding up of the affairs of an exempted partnership consequent on the dissolution of the exempted partnership a partner or a person duly authorized by the exempted partnership shall deliver a certificate of cancellation of the exempted partnership to the Registrar for registration by him in the register.

(2) A certificate of cancellation shall, in respect of an exempted partnership, specify—

- (a) the name and date of registration of the exempted partnership;
- (b) that the exempted partnership is dissolved; and
- (c) the effective date of the cancellation (which shall be a date certain) if cancellation is not to be effective upon registration of the certificate by the Registrar under subsection (4).

(3) A certificate of cancellation shall be signed by at least one partner or by a person duly authorized to sign on behalf of the exempted partnership.

### **Revocation of certificate**

20A The Minister may at any time revoke the certificate of an exempted partnership where—

- (a) the exempted partnership contravenes or fails to comply with any provision of this Act;
- (b) in the opinion of the Minister the exempted partnership is carrying on business in a manner detrimental to the public; or
- (c) a court or other competent authority in any country makes an order for dissolution of the exempted partnership.

*[Section 20A inserted by 2005:37 s.4 effective 29 December 2005]*

### **Revocation procedure**

20B (1) The Minister shall give an exempted partnership reasonable notice in writing of his intention to revoke its certificate under section 20A and shall afford the partnership an opportunity of making representations to him.

(2) A notice under subsection (1) shall specify the grounds on which the Minister intends to revoke the certificate.

(3) Upon the revocation of its certificate an exempted partnership shall forthwith cease to engage in or carry on any trade or business in Bermuda unless the Minister in his discretion authorizes the partnership so to do—

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- (a) pending the determination of an appeal against the revocation; and
- (b) for such period as the Minister may specify for the purpose of ceasing its business in Bermuda.

(4) When the Minister revokes the certificate of an exempted partnership the Registrar may, if he is satisfied that it would be in the interests of any creditor of the partnership or of any other person to whom the partnership has an obligation that the affairs of the partnership in Bermuda should be wound up, petition the Court to wind up its affairs and the Court may make such orders for the winding up of the affairs of the exempted partnership as is practicable.

*[Section 20B inserted by 2005:37 s.4 effective 29 December 2005]*

### **Appeal to Supreme Court**

20C (1) An exempted partnership aggrieved by the revocation by the Minister of a certificate may appeal to the Court within twenty-one days or such longer period as the Court may allow after receipt of notification of such revocation.

(2) If an appeal is allowed by the Court, the partnership shall be entitled to engage in or carry on any trade or business in Bermuda in the same manner as it did before its certificate was revoked.

(3) If an appeal is dismissed by the Court, the partnership shall, forthwith or in such time as the Minister may allow, cease to engage in or carry on any trade or business in Bermuda.

(4) Section 62 of the Supreme Court Act 1905 shall be deemed to extend to the making of rules under that section to regulate the practice and procedure on an appeal under this section.

*[Section 20C inserted by 2005:37 s.4 effective 29 December 2005]*

### **Offences in relation to certificates**

21 A person who fails, without reasonable excuse—

- (a) *[repealed by 2005:18]*
- (b) to deliver a certificate of cancellation to the Registrar under section 20(1);  
or
- (c) to sign a certificate of cancellation under section 20(3),

is guilty of an offence and liable, on conviction by a court of summary jurisdiction to a fine not exceeding five thousand dollars.

*[Section 21 amended by 2005:18 s.7 effective 22 July 2005]*

### **Establishment of register, evidence**

22 (1) Subject to subsection (1A), the Registrar shall establish and maintain in such form as he shall determine, a register of exempted partnerships in which shall be registered all certificates required by this Act.

## **EXEMPTED PARTNERSHIPS ACT 1992**

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(1A) The Registrar shall, in respect of each exempted partnership registered under this section, enter in the register—

- (a) the name of the exempted partnership;
- (b) the certificate of registration issued pursuant to section 9(3); and
- (c) the address of the registered office of the exempted partnership.

(2) The register shall be open, during office hours, to the inspection of all persons desiring to view the register.

(3) A certificate of the Registrar certifying that a certificate required by this Act to be registered by him has been so registered shall be received in all courts and in all proceedings whatsoever as evidence of the matter to which the certificate relates.

*[Section 22 subsection (1) amended by 2005:18 s.8 effective 22 July 2005; subsection (1) amended and subsection (1A) inserted by 2018 : 51 s. 12 effective 10 August 2018]*

### **Service on exempted partnership**

23 (1) Any notice, instrument or other document, and any legal process to be delivered to, or served on, an exempted partnership for the purposes of this Act may be delivered or served by leaving it at the registered office of the exempted partnership or by delivering it to a partner or to the resident representative.

(2) If the registered office cannot reasonably be found, any such notice, instrument, document or legal process may be delivered or served by leaving it at the office of the Registrar and publishing a notice of the fact in an appointed newspaper.

(3) Delivery or service pursuant to subsection (2) shall be deemed to be delivery to, or service on, an exempted partnership.

### **General provision in respect of exempted partnership registered as limited partnership**

24 Except as expressly provided, nothing contained in this Act shall affect any provision of law relating to a limited partnership registered under the Limited Partnership Act 1883 and, accordingly, where a partnership is registered as an exempted partnership under this Act and as a limited partnership under the Limited Partnership Act 1883, unless the context otherwise requires—

- (a) references to “partner” shall be construed as references to “general partner”; and
- (b) anything required to be done or suffered by a partner shall be construed as being required to be done or suffered, as the case may be, by a general partner.

### **When licence, permit, etc. not required**

24A A person who acts as a partner of an exempted partnership shall not, by virtue solely of so acting, be deemed to be carrying on business in Bermuda for the purposes of

## **EXEMPTED PARTNERSHIPS ACT 1992**

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this Act, the Overseas Partnerships Act 1995 or section 129A or 134 of the Companies Act 1981.

*[Section 24A inserted by 2005:37 s.5 effective 29 December 2005]*

### **Savings, transitional, etc**

25 (1) Subject to subsections (2), (3) and (4), an exempted partnership registered under the repealed Act and in existence prior to the coming into operation of this Act, shall continue under this Act, and everything lawfully done by such exempted partnership shall be of full force and effect.

(2) The partners or a person duly authorized by the exempted partnership shall, in respect of an exempted partnership referred to in subsection (1), within six months of the coming into operation of this Act—

- (a) make and severally sign a certificate which shall contain the particulars specified in section 5;
- (b) deliver the certificate to the Registrar for registration by him in the register; and
- (c) if applicable, establish a registered office in Bermuda in accordance with section 10.

(3) The fee referred to in section 11(3)(a) does not apply to the registration of a certificate under subsection (2)(b) of this section.

(4) A person who was a resident manager of an exempted partnership under section 6 of the repealed Act shall be deemed to be the resident representative of that partnership for the purposes of section 17 of this Act.

(5) Where immediately prior to the coming into operation of this Act an application has been made for the Minister's consent to the registration of an exempted partnership that application shall be deemed to have been made under this Act and the provisions of this Act shall apply accordingly.

(6) All information contained in books, registers and other records maintained by the Registrar in respect of exempted partnerships under the repealed Act, modified in such manner as the Registrar considers appropriate, having regard to the provisions of this Act, shall form part of, and be included in, the register required to be kept by the Registrar under this Act.

(7) Failure to comply with any of the provisions of subsection (2) shall render every partner liable to a default fine of one hundred dollars for every day during which the default continues.

(8) In this section "the repealed Act", means the Exempted Partnerships Act 1958.

*[Section 25 subsection (3) amended by 2009:39 s.15 effective 14 September 2009]*

## **EXEMPTED PARTNERSHIPS ACT 1992**

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### **Consequential amendment**

26 The provisions of the enactments specified in the first column of the Second Schedule to this Act are amended in the manner specified in the second column of that Schedule.

### **Repeal**

27 The Exempted Partnerships Act 1958 is repealed.

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**EXEMPTED PARTNERSHIPS ACT 1992**

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**FIRST SCHEDULE**

(section 11)

**PART I**

<b>Activity</b>	<b>Fee Payable</b>
Fee to accompany application for Authority's consent under section 7(2), 13A(1)(c) or 13C(2)	\$205
Fee to reserve the name of a limited or exempted partnership	\$100

**PART II**

Fee on application for Authority's consent to limited partnership and exempted partnership under section 11(2)	\$320
Fee payable on registration of election to have separate legal personality under section 4A or 4BA of the Partnership Act 1902	\$170

**PART III**

Fee payable on registration of a partnership as an exempted partnership and on registration of a partnership as an exempted partnership and limited partnership under section 11(3A)(a)	\$2,350
Corporate regulatory fee payable by an exempted partnership and by an exempted partnership registered as a limited partnership under section 11(3A)(a)	\$500
Annual fee payable by an exempted partnership and by exempted partnership registered as a limited partnership under section 11(3A)(b)	\$2,850

**PART IV****ADDITIONAL FEES**

On delivery of documents to Registrar for registration of exempted partnership under section 9(1)	\$95
On an application for Authority's consent to change a matter under section 13(1)(a)	\$95
For preparing a copy of any document by a public officer:- for each page	\$2
For a search by a public officer of the records maintained by the Registrar for the purpose of obtaining a certificate that the Exempted Partnership Act 1992 has been complied with	\$95

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For certifying and sealing a copy of any document or set of documents	\$95
For registering or recording every certificate required by this Act	\$170
<b>Activity</b>	<b>Fee Payable</b>
For each inspection of the register under section 22(2)	\$12

**PART V****CONTINUANCE AND DE-REGISTRATION**

Fee payable on an application for continuance of a partnership in Bermuda under section 13A	\$425
Fee payable on filing a statement or declaration for de-registration of partnership under section 13B	\$2,350

**PART VI****CONVERSION**

Fee payable on an application for conversion of an exempted partnership that is both limited and exempted to an exempted company under section 13C	\$595
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**PART VII****REGISTERED CHARGES**

Fees payable on registration under section 4F of the Partnership Act 1902 of—		
(a)	any charge that may be so registered on the assets of an exempted partnership—	
	(i) where the amount secured is \$1,000,000 or less	\$380
	(ii) where the amount secured is more than \$1,000,000	\$665
(b)	particulars of a series of debentures	\$95
Fee payable on entry of a memorandum of satisfaction under section 4K of the Partnership Act 1902		\$95
Fee payable on an application to amend under section 4G of the Partnership Act 1902, or rectify under section 4H of that Act, a registered charge		\$95

*[First Schedule repealed and replaced by 2000:17 s.3 effective 1 April 2000; amended by 2008:6 s.2 effective 1 April 2008; amended by 2009:39 s.16 effective 14 September 2009; amended by 2015 : 52 s. 2 effective 28 December 2015; First Schedule repealed and replaced by 2018 : 6 s. 4 effective 1 April 2018; First Schedule Part V amended by 2019 : 9 s. 2 effective 1 April 2019; First Schedule Part I*

## **EXEMPTED PARTNERSHIPS ACT 1992**

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*amended by 2023 : 12 s. 3 effective 1 April 2023; First Schedule Part III deleted and substituted by 2024 : 5 s. 6 effective 1 January 2024 (commencement date amended by 2024 : 15 s. 3 effective 15 July 2024)*

## EXEMPTED PARTNERSHIPS ACT 1992

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### SECOND SCHEDULE

(Section 25)

Exempted Undertakings Tax Protection Act 1966	
Section 1(b)	Delete the words "section 1" and the figure "1958" and substitute therefor respectively the words "section 2" and the figure "1992".
Interest and Credit Charges (Regulation) Act 1975	
Section 6(2)(b)	Delete the words "Exempted Partnerships Act 1958" and substitute the words "Exempted Partnerships Act 1992".
Companies Act	
Section 2(1)	In the definition of the expression "exempted undertaking", delete the figure "1958" and substitute the figure "1992".
Municipalities Act 1923	
First Schedule	Delete the words
Paragraph 4(1)(d)(iii)	"Exempted Partnerships Act 1958" and substitute the words "Exempted Partnerships Act 1992".

[Assent Date: 8 August 1992]

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*Amended by:*

1995 : 34  
1998 : 14  
1999 : 26  
BR 81 / 1999  
2000 : 17  
2001 : 23  
2005 : 18  
2008 : 6  
2009 : 39  
BR 5 / 2011  
2011 : 20  
2012 : 35  
2015 : 19  
2015 : 52  
2016 : 25

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2014 : 3  
2016 : 40  
BR 46 / 2017  
2017 : 24  
2017 : 41  
2018 : 4  
2018 : 6  
2018 : 51  
2019 : 9  
2019 : 50  
2020 : 52  
2023 : 12  
2024 : 5  
2024 : 41]