

SECOND SCHEDULE

[Section 9]

DEFAULT PROVISIONS FOR LIMITED LIABILITY
PARTNERSHIPS

1. The mutual rights and duties of the partners and the mutual rights and duties of a limited liability partnership and its partners shall be determined, subject to the terms of any liability partnership agreement, by the provisions in this Schedule.
2. All partners of a limited partnership are entitled to share equally in the capital and profits of the limited liability partnership.
3. The limited liability partnership must indemnify each partner in respect of payments made and personal liabilities incurred by that partner—
 - (a) in the ordinary and proper conduct of the business of the limited liability partnership; and
 - (b) in or about anything necessarily done for the preservation of the business or property of the limited liability partnership.
4. Every partner may take part in the management of the limited liability partnership.
5. No partner shall be entitled to remuneration for acting in the business or management of the limited liability partnership.
6. No person may be introduced as a partner without the consent of all existing partners.
7. No person shall assign all or part of his or its interest in the limited liability partnership without the consent of all existing partners.

*NOTE—The Companies Act 1965 [Act 125] has been repealed by the Companies Act 2016 [Act 777] w.e.f 31 January 2017—see subsection 620(1) of Act 777.

8. Any matter or issue relating to the limited liability partnership shall be decided by resolution passed by a majority in number of partners, and for this purpose, each partner shall have one vote.

9. Each partner shall render true accounts and full information of all things affecting the limited liability partnership to any other partner or that other partner's legal representatives.

10. If a partner, without the consent of the limited liability partnership, carries on any business of the same nature as and competing with the limited liability partnership, the partner must account for and pay over to the limited liability partnership all profits made by the partner in that business.

11. Every partner must account to the limited liability partnership for any benefit derived by that partner without consent of the limited liability partnership from any transaction concerning the limited liability partnership, or from any use by that partner of the property, name or any business connection of the limited liability partnership.

12. No majority of the partners can expel any partner unless a power to do so has been conferred by express agreement between the partners.
