



REPUBLIC OF NAURU

# PARTNERSHIP (AMENDMENT) No. 2 ACT 2016

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No. 45 of 2016

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An Act to amend the *Partnership Act 1976*

Certified: 8<sup>th</sup> September 2016

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Enacted by the Parliament of Nauru as follows:

**1 Short title**

This Act may be cited as the *Partnership (Amendment) No. 2 Act 2016*.

**2 Commencement**

This Act commences upon certification by the Speaker.

**3 Amendment of Partnership Act 1976**

The *Partnership Act 1976* is amended by the provisions of this Act.

**4 Amendment of section 2**

Section 2 is amended by inserting the following:

**'partner'** means a person who is involved in a partnership in accordance with this Act;

**5 Amendment of section 28**

(1) Section 28 (1) is amended by:

(a) omitting the words 'are bound to' and substituting with the words 'must render'; and

(b) inserting the word 'to' after the word 'or' and before the word 'his'.

(2) Section 28(2) is amended by inserting the words 'including underlying documentation such as invoices and contracts' after the word 'records' and before the word 'with'.

(3) Section 28(2)(a) is amended by omitting the words 'corporation' and substituting with the word 'partnership'.

**6 Insert new Part IVA**

Insert the following part after Part IV:

**Part IVA – Registrar of Partnerships**

**7 Insert new section 44A**

**44A Registrar of Partnerships**

(1) The President may appoint a person to hold the position of Registrar of Partnerships and to carry out the duties

and functions vested in him or her under this or any other Act.

- (2) The President may appoint such Deputy Registrars of Partnerships and other officers as are required for the purposes of this Act.
- (3) Anything required to be done or signed by the Registrar may be done or signed by any such Deputy Registrar and shall be as valid and effectual as if done or signed by the Registrar.
- (4) The Court shall take judicial notice of the seal and the signature of the Registrar or of any Deputy Registrar.
- (5) For the purpose of ascertaining whether a partnership is complying with the provisions of this Act, the Registrar or any person authorised by him or her may inspect any book, minute book, register or record required by this Act to be kept by the partnership.
- (6) A person who, except for the purposes of this Act or in the course of any criminal proceedings, makes a record of, divulges or communicates to any other person any information which he or she has acquired by reason of such inspection commits an offence.
- (7) A partnership or any of its officers must, on being required by the Registrar or a person authorised by the Registrar, produce any such book, register or record.
- (8) A partnership or any of its officers must not obstruct or hinder the Registrar or person so authorised while exercising any of the powers referred to in subsection (5).
- (9) The Registrar may prescribe fees for any of the activities in this section.

**8            Insert new section 44B**

**44B        Registers**

- (1) The Registrar may, subject to this Act keep registers as he or she considers necessary and in such form as he or she thinks fit.
- (2) Any person may, on payment of the prescribed fee:
  - (a) inspect any document filed or lodged with the Registrar relating to a partnership; or

- (b) require any certificate issued under this Act or a copy of or extract from any document kept by the Registrar in relation to a partnership to be given or certified by the Registrar.
- (3) A copy of or extract from any document filed by the Registrar certified to be a true copy or extract under the hand and seal of the Registrar is admissible as evidence in any legal proceedings as if it were the original document or a part of the document as extracted.
- (4) In any legal proceedings, a certificate under the hand and seal of the Registrar is prima facie evidence of the fact that a requirement of this Act specified in the certificate:
  - (a) had or had not been complied with at a date or within a period specified in the certificate;
  - (b) had been complied with, but at a date later than that specified in the certificate.
- (5) The Registrar may refuse to file any document lodged and request that the document be amended, completed and relodged, or a new document be lodged, if he or she is of the opinion that the document:
  - (a) contains matters contrary to law;
  - (b) by reason of any omission or misdescription has not been duly completed;
  - (c) does not comply with the requirements of this Act; or
  - (d) contains any error, alteration or erasure.
- (6) Nothing in this section shall prejudice the operation of any enactment or other section of this Act imposing penalties on a partnership or its officers or such person in respect of any such default.

**9            Insert new section 44C**

**44C           Partnerships to be registered**

Any partnership having a place of business in Nauru or carrying on business in Nauru must be registered with the office of the Registrar of Partnerships in accordance with the provisions of this Act.

**10           Insert new section 44D**

**44D           Manner and particulars of registration**

Every partnership must, after the payment of all fees, provide to the Registrar the partnership registration form containing the following particulars:

- (a) the partnership name (including the business name registration if applicable);
- (b) name and addresses and contact details of all partners;
- (c) if the partnership is not on an equal basis the split of ownership to be supplied;
- (d) the general nature and purpose of the business;
- (e) the principal place of the business;
- (f) copy of the Partnership agreement or deed;
- (g) Tax Identification Number registration for the business;
- (h) statement of assets and liabilities at the date of the registration (annually); and
- (i) the date of the commencement of the partnership and a completion date if applicable.

**11            Insert new section 44E**

**44E            Time for registration and renewal of registration**

- (1) A partnership must provide all the particulars required under the Act within 14 days of the partnership being issued a business licence under the *Business Licences Act 2011*.
- (2) Registration must be renewed annually.

**12            Insert new section 44F**

**44F            Registration of changes in partnership**

- (1) A partnership must provide the Registrar with notice of any change in the particulars of the partnership.
- (2) Subject to subsection (3), notice must be made within 14 days after the change occurs.
- (3) Where it is not possible to give notice within the time set out under subsection (2), the partnership may apply to the Minister for a longer period within which to provide the information required.

- (4) The form of notice to be used is to be prescribed by regulations.

**13            Insert new section 44G**

**44G            Lodgement of lost documents**

- (1) If, in the case of any partnership, the partnership agreement or any other document relating to the partnership lodged with the Registrar has been lost or destroyed, the partnership may apply to the Registrar for leave to lodge a copy of the document as originally lodged as the case may be.
- (2) On receipt of an application under subsection (1), the Registrar may direct notice to be given to such persons and in the manner as he or she thinks fit.
- (3) The Registrar may certify and direct that the copy be lodged where he or she is satisfied:
  - (a) that the original document is lost or has been destroyed;
  - (b) of the date of the lodgement of the original to the Registrar;
  - (a) that a copy the document produced to the Registrar is a correct copy; and
  - (b) that the proper fee payable on lodging the original document has been paid.
- (4) The copy has the same force and effect as the original from the date of lodgement of the original.
- (5) No fee applies in relation to the lodgement of a document under subsection (3).

**14            Insert new section 44H**

**44H            Procedure where none laid down**

- (1) A person may apply to the Registrar to seek directions as to the manner in which any act or procedure is required to be done where no form is prescribed or procedure laid down in this Act or Regulations.
- (2) An act or procedure done in accordance with directions given by the Registrar shall be deemed a valid performance of that act or procedure.

**15            Insert new section 44I**

**44I            Default in registration an offence**

- (1) All partners commit an offence if the partnership fails to provide the required particulars or change to particulars as required under this Act and liable under subsection (2).
- (2) All partners are liable to a penalty of \$10 for every day that the default continues.
- (3) The Registrar may order that a statement of the required particulars be made within a certain period.

**16            Insert new section 44J**

**44J            General Penalty Provisions**

- (1) Any person who fails to comply with the requirements of the Act, or who fails to comply with the directions given by the Registrar, commits an offence and is liable to a penalty not exceeding \$1,000.
- (2) Any person who does not comply with the requirements of sections 28 and 44A commits an offence and is liable to a penalty not exceeding \$5,000.
- (3) A default in the payment of a penalty will automatically cause the operations of the partnership to cease.
- (4) Any penalty incurred under the Act that is not paid within 30 days of the penalty being imposed will become a debt owed to the Republic.

**17            Insert new section 44K**

**44K            Regulations**

- (1) Cabinet may make regulations under this Act.
- (2) Without limiting subsection (1), the regulations may:
  - (a) prescribe fees for matters under this Act;
  - (b) prescribe the forms to be used under this Act;
  - (c) provide for further particulars and other requirements for registration under this Act;
  - (e) prescribe penalties for breaches of the regulations; and

(f) prescribe all matters and things required for carrying out or giving effect to this Act.