



# SIMPLE, GENERAL, LIMITED PARTNERSHIPS



# General remarks

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- ▶ No “corporate” model
- ▶ Liability of members
- ▶ Every member having unlimited liability is director and has the power of legal representation
- ▶ Unanimous consent to amendments

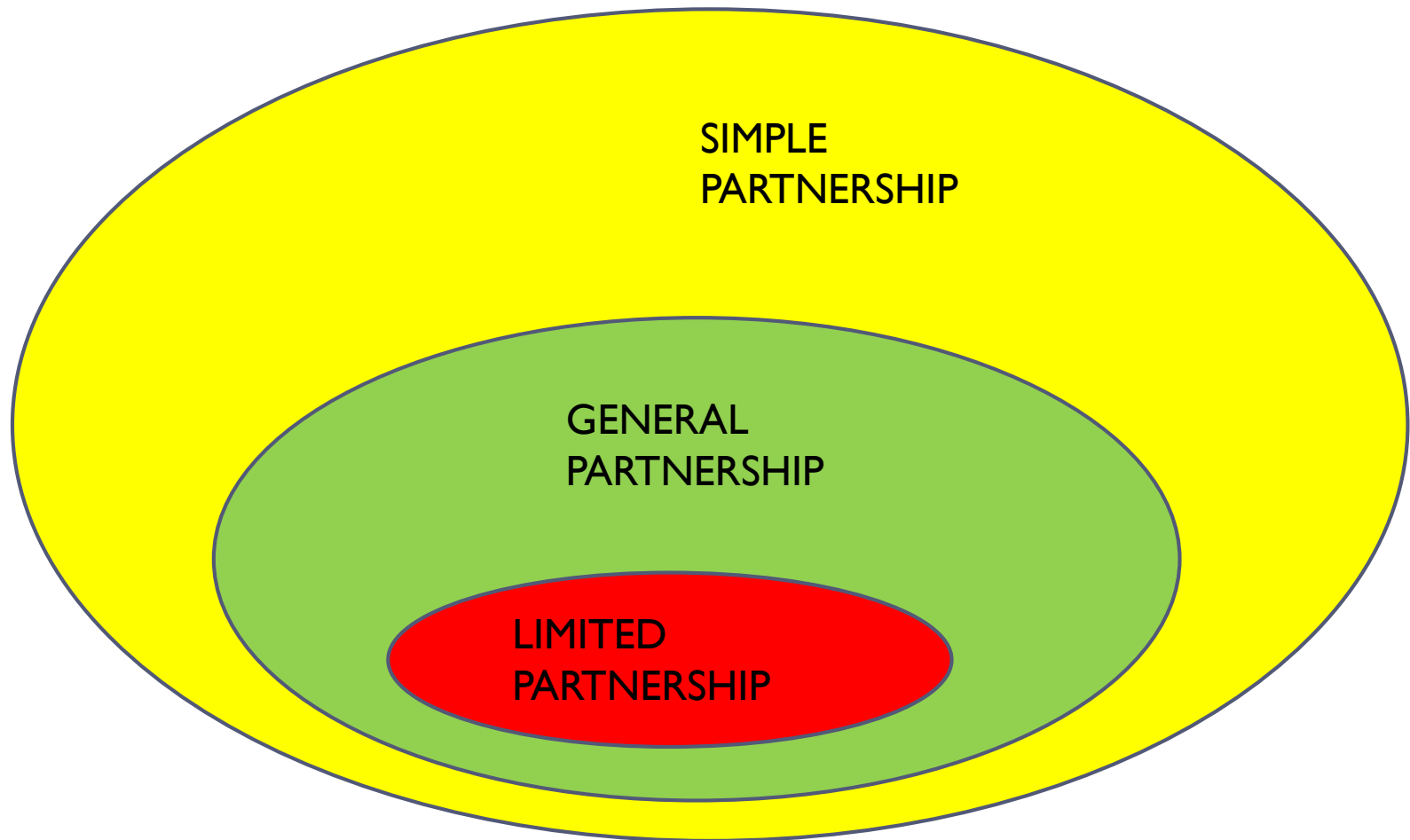
**SIMPLE PARTNERSHIP**

**GENERAL  
PARTNERSHIP**

**LIMITED  
PARTNERSHIP**

# APPLICABLE RULES...

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# SIMPLE PARTNERSHIP

- ▶ General remarks
- ▶ Contributions
- ▶ Participation in profits and losses
- ▶ Management
- ▶ Representation
- ▶ Liability

# SIMPLE PARTNERSHIP

## GENERAL REMARKS

- ▶ No commercial business
- ▶ No particular requirements of form for the deed of incorporation
- ▶ Amendments only unanimously

# SIMPLE PARTNERSHIP

## CONTRIBUTIONS

- ▶ TANGIBLE ASSETS
- ▶ ENJOYMENT OF RIGHTS
- ▶ RECEIVABLES
- ▶ WORK

# SIMPLE PARTNERSHIP

## PARTICIPATION IN PROFITS AND LOSSES

- ▶ Articles of association
  - ▶ limits
- ▶ Proportional
- ▶ Equally
- ▶ Leonine pact



# SIMPLE PARTNERSHIP

## MANAGEMENT

- ▶ Unlimited liability = management and representative
- ▶ Jointly or severally
- ▶ Powers and duties

## MEMBERS' SUPERVISION


# SIMPLE PARTNERSHIP

## REPRESENTATION

- ▶ Every managing partner
- ▶ Object
- ▶ Limits/revoke: 1396 c.c.

# SIMPLE PARTNERSHIP

## LIABILITY

- ▶ Partnership's creditors  partners
- ▶ Some or all partners? 2267 c.c.
- ▶ Beneficium excussionis (2268 c.c.)
- ▶ New partner?
- ▶ Partner's creditor

# GENERAL PARTNERSHIP

- ▶ GENERAL REMARKS
- ▶ REPRESENTATION
- ▶ PROFITS AND LOSSES
- ▶ LIABILITY

# GENERAL PARTNERSHIP

## GENERAL REMARKS

- ▶ Rules of SIMPLE PARTNERSHIP are **applicable**
- ▶ Entry in the Business Register
  - ▶ what happens if not...? 2297 C.C.
- ▶ Article of incorporation
- ▶ Non-compete obligation (2301)

# GENERAL PARTNERSHIP

## REPRESENTATION

- ▶ General
  - ▶ Limits


# GENERAL PARTNERSHIP

## PROFITS AND LOSSES

### ► LIMITS

# GENERAL PARTNERSHIP

## LIABILITY

- ▶ Of partners: beneficium excussionis ( $\neq$  simple partnership)
- ▶ Partner's creditor
- ▶ NO ENTRY IN THE BUSINESS REGISTER: general partnership “irregular”  consequences?

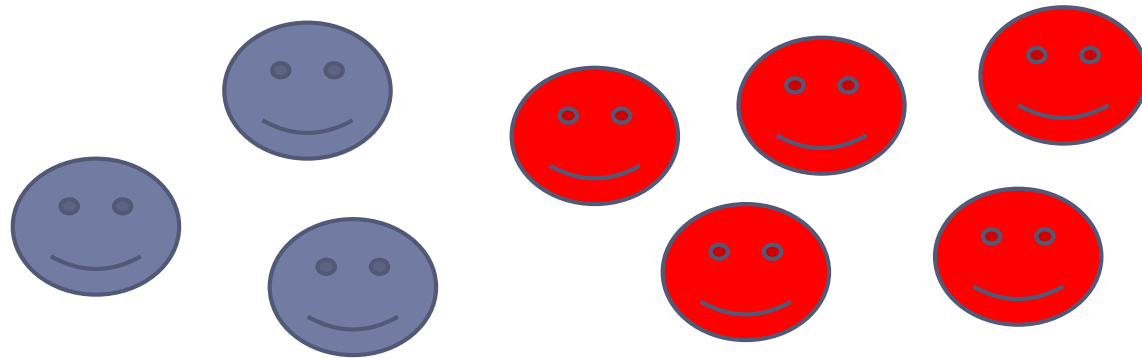


# LIMITED PARTNERSHIP

- ▶ PARTNERS, MANAGEMENT AND LIABILITY
- ▶ GENERAL REMARKS

# LIMITED PARTNERSHIP

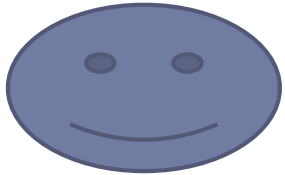
## PARTNERS, MANAGEMENT AND LIABILITY



PARTNERS HAVING  
UNLIMITED LIABILITY

PARTNERS  
HAVING LIMITED  
LIABILITY

# LIMITED PARTNERSHIP



## PARTNERS HAVING UNLIMITED LIABILITY

- ▶ Manage the partnership
- ▶ Are personally, jointly and severally liable

# LIMITED PARTNERSHIP



## PARTNERS HAVING LIMITED LIABILITY

- ▶ Don't manage the partnership
- ▶ Are liable only for the contributions

# LIMITED PARTNERSHIP

WHAT HAPPENS IF



PARTNERS HAVING LIMITED LIABILITY

- ▶ manage the partnership

or

- ▶ let their name been filed in the partnership's name?



**THEY HAVE UNLIMITED LIABILITY FOR ALL  
THE DEBTS**

# LIMITED PARTNERSHIP

## GENERAL REMARKS

- ▶ Applicable rules of general and simple partnerships
- ▶ Sale of the quota

# PARTNERSHIPS LIMITED BY SHARES

## ▶ JOINT STOCK COMPANY

# WINDING-UP

## CAUSES

- ▶ Term expiry
- ▶ The purpose of the partnership is realised or there is the ascertained impossibility of its realisation
- ▶ Decision of the partners
- ▶ Sole partner (or category if limited partnership)
- ▶ Causes in articles of association
  
- ▶ Bankruptcy



# WINDING-UP

## Common rules

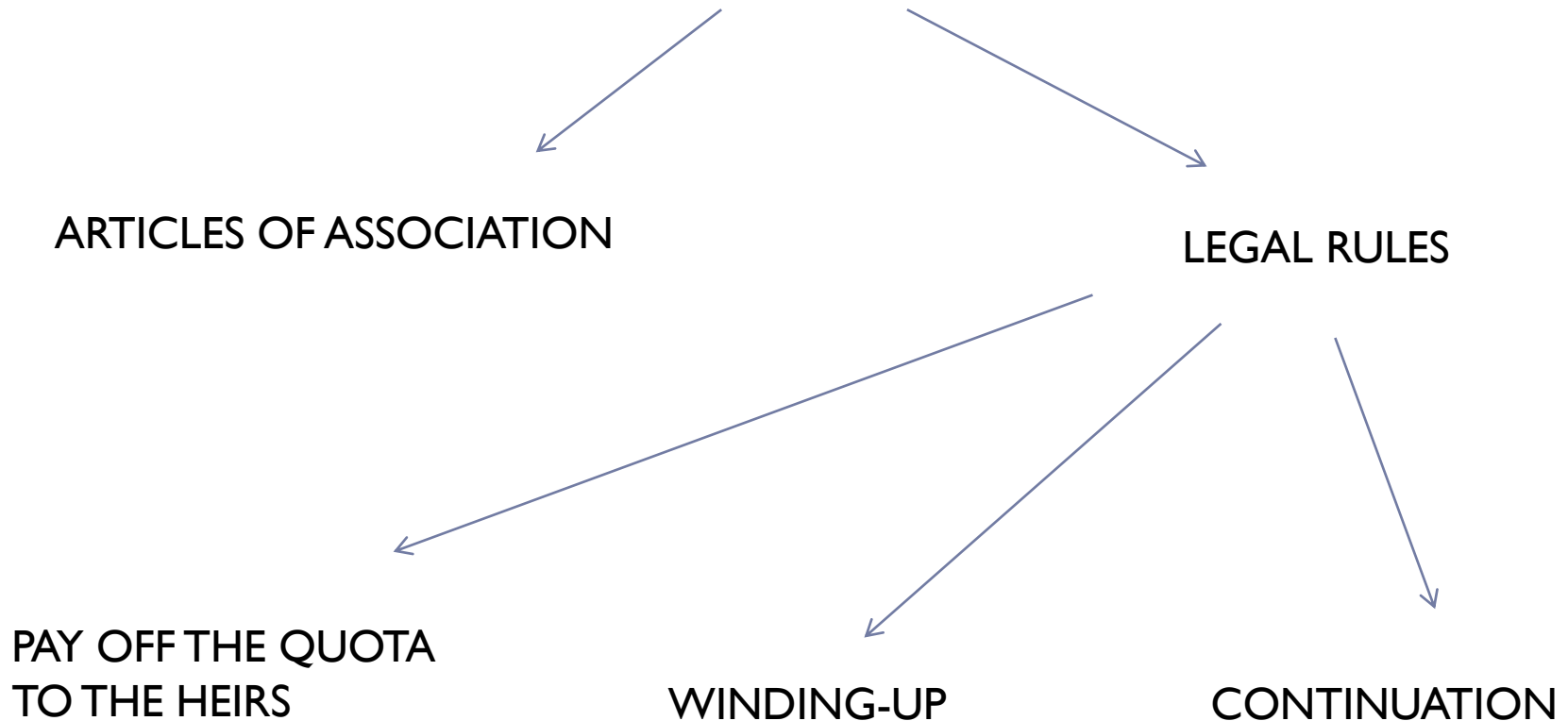
- ▶ Managing partners > only urgent acts
- ▶ Liquidators

# TERMINATION OF THE PARTICIPATION

- ▶ DEATH
- ▶ WITHDRAWAL
- ▶ EXCLUSION

# TERMINATION OF THE PARTICIPATION

## DEATH



# TERMINATION OF THE PARTICIPATION

## WITHDRAWAL

UNLIMITED TERM (OF  
THE PARTNERSHIP)



3 MONTHS NOTICE

LIMITED TERM



ONLY IF JUST CAUSE

# TERMINATION OF THE PARTICIPATION

## **EXCLUSION**

- ▶ Failure to fulfill obligations
- ▶ Disqualified/ debarred
- ▶ Contributions impossible
- ▶ Bankrupt declaration
- ▶ The creditors have obtained the liquidation

# TERMINATION OF THE PARTICIPATION **EXCLUSION**

- ▶ Majority of partners
- ▶ Notification
- ▶ Possible opposition

# TERMINATION OF THE PARTICIPATION

## **LIQUIDATION OF THE QUOTA**

- ▶ Determined on the basis of the financial situation of the partnership on the winding up date

- 
- ▶ De facto partnership
    - ▶ Vs
  - ▶ Hidden partnership
    - ▶ Vs
  - ▶ Apparent partnership