

CAYMAN ISLANDS



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**A BILL FOR A LAW TO AMEND THE EXEMPTED LIMITED
PARTNERSHIP LAW (2007 REVISION) TO PROVIDE FOR THE
RETENTION OF BOOKS OF ACCOUNT FOR A MINIMUM PERIOD;
AND FOR INCIDENTAL AND CONNECTED PURPOSES**

**THE EXEMPTED LIMITED PARTNERSHIP (AMENDMENT) BILL,
2010**

MEMORANDUM OF OBJECTS AND REASONS

This Bill seeks to amend the Exempted Limited Partnership Law (2007 Revision) to provide for the retention of books of account of an exempted limited partnership for a minimum period.

Clause 1 of the Bill provides the short title.

Clause 2 repeals and substitutes section 12. The new section 12 preserves the provision originally contained in the repealed section 12 and contains provisions which impose obligations on a general partner to cause proper books of account to be kept and to be retained for a minimum of five years from the date on which they are prepared. A penalty is imposed where a general partner contravenes these requirements.

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ENACTED by the Legislature of the Cayman Islands.

1. This Law may be cited as the Exempted Limited Partnership (Amendment) Law, 2010. Short title

2. The Exempted Limited Partnership Law (2007 Revision), is amended by repealing section 12 and substituting the following section - Repeal and substitution
of section 12 of the
Exempted Limited
Partnership Law (2007
Revision) - right to
account

“Accounts

12. (1) Subject to any express or implied term of the partnership agreement to the contrary, each limited partner may demand and shall receive from a general partner true and full information regarding the state of business and financial condition of the exempted limited partnership.

(2) A general partner shall keep or cause to be kept proper books of account including, where applicable, material underlying documentation including contracts and invoices, with respect to -

- (a) all sums of money received and expended by the exempted limited partnership and matters in respect of which the receipt of expenditure takes place;
- (b) all sales and purchases of goods by the exempted limited partnership; and
- (c) the assets and liabilities of the exempted limited partnership.

(3) For the purposes of subsection (2), proper books of account shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the business and financial condition of the exempted limited partnership and to explain its transactions.

(4) A general partner shall cause all books of account required to be kept under subsection (2) to be retained for a minimum period of five years from the date on which they are prepared.

(5) A general partner who knowingly and wilfully contravenes subsection (2) or (4) shall be subject to a penalty of five thousand dollars.”.

Passed by the Legislative Assembly the day of ,
2010.

Speaker.

Clerk of the Legislative Assembly.