

Article 178.

When a firm has been declared invalid according to the terms of the preceding article, the procedure laid down in Article 101. will be followed:

Article 179.

Regulations of Articles 84, 85, 86, 87 and of the present law are equally applicable to joint stock partnership.

Article 180.

Regulations of Articles 89, 90, and 93 of the present law are applicable to joint stock partnerships.

Article 181.

A joint stock partnership must be dissolved:-

(a) In cases provided for in paragraph (a), (b) and (c) of Article 93;

(b) By decision of a general meeting if, in the articles of partnership, this right is conferred on such a meeting.

(c) By decision of a general meeting and with the consent of the general partners;

(d) In case of death or incapacitation of one of the general partners, provided that the dissolution of the firm in such cases is expressly sanctioned by the articles of partnership.

The regulations of Article 27 apply to cases provided by (b) and (c).

Article 182.

When the right of general meeting to dissolve the firm has not been provided for by the articles of partnership, and when an agreement cannot be reached between the said general meeting and the general partners as regards dissolution, if the Court regards the application to dissolve the firm as reasonable, it shall decree dissolution.

These regulations will apply equally when one of the general partners brings an action for dissolution on grounds which the Court considers reasonable.

Article 171.

The bankruptcy of a general partner does not result in the bankruptcy of the firm, except as provided by Article 138.

Article 172.

Regulations of Articles 124. and 134. are equally applicable to joint stock partnerships and a general partners therein.

Article 173.

When a joint stock partnership is declared bankrupt and when the limited partners have not paid the value of their shares in full, the trustee will recover any amount owed by them.

Article 174.

In case of dissolution of the firm (otherwise than by bankruptcy) each of the creditors of the shareholding partners who has failed to pay his debt to the firm in respect of the value of the shares held by him, and demand his claim to the extent of the partner's liability. Until dissolution, creditors have no right of recourse against shareholding partners for such debts.

Article 175.

When a joint stock partnership is declared bankrupt, the personal creditors of general partners have no claim on the firm's assets until the firm's liabilities have been paid from the said assets.

Article 176.

Regulations of Articles 28, 29, 38, 39, 41, and 50 are equally applicable to joint stock partnerships.

Article 177.

Any joint stock partnership formed contrary to regulations of Article 28, 29, 39, and 50 is void. However, partners cannot avail themselves of this nullity as far third parties are concerned.

the firm has been definitely formed and before any business is undertaken by the firm.

The board of directors is eligible for re-election in accordance with the regulations of the articles of partnership.

In any case the first board is elected for one year only.

Article 166.

The first board must, immediately it is appointed, satisfy themselves that all the provisions of Articles 28, 28, 38, 39, 41 and 50 of the present law have been adhered to.

Article 167.

Members of the board of directors incur no responsibility for management and the results thereof, but each member is responsible for personal acts and errors in the performance of his duty, in conformity with the rules of common law.

Article 168.

Members of the board of directors must audit the books, check the cash and verify the securities of the firm, and submit a report each year to the general meeting in which they must state any irregularities or discrepancies they may have found in the inventories. They must also state therein any reasons they may have for opposing any distribution of dividends proposed by the managing director.

Article 169.

The board of directors may summon partners to a general meeting, and if a resolution to that effect is passed by the said meeting, dissolve the firm in conformity with paragraph (b) of Article 181.

Article 170.

Up to fifteen days before the general meeting, every shareholder may personally (or by proxy) examine, at the head office, the balance sheet, inventories and the report of the board of directors.

Article 161.

Regulations of Articles 136, 137, 138, 139, and 140 are equally applicable to limited partnerships.

Neither the death, incapacitation nor bankruptcy of a limited partner shall dissolve the partnership.

Section 5.

Joint Stock Partnerships

Article 162.

The joint stock partnership is formed under a common name, between a number of shareholding partners and one or several partners with unlimited liability.

The shareholding partners are partners whose capital is represented by shares or part shares of equal nominal value, and their responsibility is limited to the extent of the amount of capital each has contributed to the partnership.

A general partner is a partner whose capital is not represented by shares and who is liable for all debts the firm may have incurred beyond its capital.

If there are several general partners, their responsibility to creditors as well as their relations inter se, is governed by the regulations concerning general partnerships.

Article 163.

In the naming of the firm the term "joint stock partnership" must appear, as well as the name of at least one of the general partners.

Article 164.

The management of a joint stock partnership is exclusively in the hands of the partner or partners which unlimited liability.

Article 165.

Every joint stock partnership is subject to the control of a board of directors composed of three partners at least. This board is elected by the general meeting of partners immediately after

Article 155.

Whoever joins an already formed limited partnership as limited partner is responsible, up to the amount of his capital for all liabilities previously contracted by the firm, whether the firm's name has been changed or not. Any clause contrary to this regulations is null and void so far as third parties are concerned.

Article 156.

In the event of bankruptcy, the firm's assets are distributed among its creditors and the personal creditors and the personal creditors and the personal creditors of the partners have no claim on them. For this purpose the capital subscribed by the limited partners forms part of the firm's assets.

Article 157.

When a firm's assets are insufficient to meet its liabilities, the creditors have the right to claim payment of any balance due to them from the personal property of all the unlimited partners, jointly or severally. In such cases, there will be no difference between the creditors of the firm and the personal creditors of the general partners.

Article 158.

In case of bankruptcy of a limited partner of the firm or its creditors shall rank equally with the personal creditors of the said partner.

Article 159.

The regulations of Articles 129 and 130 shall apply equally in the case of a limited partnership.

Article 160.

When there are several unlimited partners, their responsibility towards creditors, as well as between themselves, shall be governed by the regulations concerning general partnerships.

Article 151.

An unlimited partner can only be sued personally for the firm's liabilities when the first has been dissolved.

Article 152.

If the firm is dissolved otherwise than in bankruptcy and if the limited partner has not paid the whole or part of his capital, or has withdrawn it after payment, the firm's creditors can sue the limited partner directly, and claim the amount of his capital which was not paid or withdrawn.

In case of bankruptcy of the firm this right devolves upon the trustee.

Article 153.

If, by agreement with the unlimited partners, or by previous withdrawals from the partnership capital, a limited partner has reduced the registered amount of the capital contributed by him so long as the reduction has not been registered or made public in conformity with the regulations relating to publication of modifications in a partnership, it is not binding on the firm's creditors. These creditors may, so far as obligations contracted by the firm prior to the registration and publication of the reduction in the firm's capital, insist on the said capital, being restored to its original figure.

Article 154.

Interest may only be paid to a limited partner so long as this payment does not involve a decrease in his share of the capital.

If, in consequence of losses, a limited partner's capital has been reduced, the payment to him, of any interest or profits is prohibited until the reduced capital has been restored.

If payments have been made, contrary to the above-mentioned clauses, a limited partner is responsible for the company's liabilities up to the amount of the sums withdrawn by him, unless the payments have been made to him in good faith and on the basis of a proper balance sheet.

powers is the same as that defined in the case of partners in a general partnership.

Article 145.

A limited partner, as such, has neither the right as a partner, nor is he under obligation, to manage the firm.

Article 146.

If a limited partner transacts any business for the firm, he will, in relation to third parties, and so far as liability for such business is concerned, be considered as a general partner, unless he declares expressly that he acted as an agent of the firm.

Article 147.

Every limited partner has a right to supervise the firm's business; he may examine the books and documents of the firm, and prepare, for his own information, a statement of its position.

Any agreement between partners contrary to this regulation is null and void.

Article 148.

No limited partner may, by the transfer of the whole or part of his capital, introduce a third party into the firm without the consent of the other partners.

Article 149.

When one or more limited partners have, without the consent of the other partners, transferred to a third party the whole or part of their shares in the firm, the said third party has no right to interfere or supervise the firm's business.

Article 150.

A limited partner is liable toward third parties in the same way as a general partner, as regards liabilities that the firm have undertaken prior to registration, unless he can prove that the third parties knew he was only a limited partner.

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 (5) Iranian Commercial Code

Section 4.

Limited Partnerships

Article 141.

A limited partnership is one formed for trading (under a common name without any issue of shares) between one or more general partners and one or more partners with limited liability.

The general partners are liable for all the debts and obligations of the firm that may be incurred in excess of the assets of the firm, whereas the limited partners are only liable up to the extent of the capital they have contributed or may contribute to the partnership.

The term "limited partnership" and the name of at least one of the general partners must appear in the name of the firm,

Article 142.

The relations of partners between themselves will be governed by the articles of partnership, subject to the following regulations.

Article 143.

A limited partner whose name appears in the name of the firm is, so far as the creditors of the firm are concerned, considered to be a partner of unlimited liability.

Any agreement to the contrary between partners is null and void so far as third parties are concerned.

Article 144.

The management of a limited partnership is entrusted to the partner or partners with unlimited liability. The scope of their