

CHAPTER 197.

[S. B. 102.]

RELATING TO WINDING UP OF PARTNERSHIP
AFFAIRS UPON DISSOLUTION.

AN ACT relating to the winding up of the affairs of a partnership upon dissolution thereof by reason of the death of one of its members; authorizing the superior court to direct the sale of the interest of the deceased partner to the surviving partner or partners and to direct the personal representative of the deceased partner to agree to a continuance of the partnership business by the surviving partner or partners; amending sections 11.64.030 and 11.64.040, R.C.W.; and repealing sections 11.64.010, 11.64.020 and 11.64.050, R.C.W.

Be it enacted by the Legislature of the State of Washington:

SECTION 1. Within thirty days after the death of a partner the surviving partner or partners shall file a verified inventory of the assets of the partnership in the superior court in which letters testamentary or of administration are issued on the estate of the decedent or, if no letters are issued, in the superior court of the county of which the decedent was a resident at the time of his death. The inventory shall state the value of the assets as shown by the books of the partnership and a list of the liabilities of the partnership. If letters testamentary or of administration have been issued on the estate of the decedent, the surviving partner or partners shall cause the assets of the partnership to be appraised in like manner as the individual property of a deceased person, which appraisal shall include the value of the assets of the partnership and a list of the liabilities. The appraisers appointed by the court to appraise the separate property of the deceased partner shall appraise the partnership property, and the surviving partner or partners shall file the inventory and appraisal with the court in which the estate of the deceased partner is being administered.

Death of partner; duties of surviving partners.

File inventory.

Where letters issued; appraisal of partnership property.

Inventory and appraisal to be filed.

Surviving partners may continue in possession of partnership estate.

SEC. 2. The surviving partner or partners may continue in possession of the partnership estate, pay its debts, and settle its business, and shall account to the executor or the administrator of the decedent and shall pay over such balances as may, from time to time, be payable to him. Upon the verified petition of the executor or administrator, or on its own motion, the superior court, whenever it appears necessary, may order the surviving partner or partners to account to said court.

Account.

Waste.

SEC. 3. If the surviving partner or partners commit waste, or if it appears to the superior court that it is for the best interest of the estate of the decedent, such court may order the surviving partner or partners to give security for the faithful settlement of the partnership affairs and the payment to the executor or administrator of any amount due the estate.

Security for faithful settlement.

Refusal to file inventory.

SEC. 4. If the surviving partner or partners fail or refuse to file the inventory, list of liabilities or appraisal, or if it appears proper to order the surviving partner or partners to account to the superior court or to file a bond, said court shall order a citation to issue requiring the surviving partner or partners to appear and show cause why they have not filed an inventory, list of liabilities or appraisal or why they should not account to the court or file a bond. The citation shall be served not less than ten days before the return day designated therein. If the surviving partner or partners neglect or refuse to file an inventory, list of liabilities or appraisal, or fail to account to the court or to file a bond, after they have been directed to do so, they may be punished for a contempt or the court may commit them to jail until they comply with the order of the court. Where the surviving partner or partners fail to file a bond after being ordered to do so by the court, the court may also appoint a receiver of the partnership estate with like powers and duties of receivers in

Citation to show cause.

Service.

Contempt.

Failure to file bond; receiver.

equity, and order the costs and expenses of the proceedings to be paid out of the partnership estate or out of the estate of the decedent, or by the surviving partner or partners personally, or partly by each of the parties.

Cost of proceedings.

SEC. 5. Section 11.64.030, R.C.W., as derived from section 89, chapter 156, Laws of 1917, is hereby amended to read as follows:

Amendment.

The surviving partner or the surviving partners jointly, shall have the right at any time to petition the court to purchase the interests of a deceased partner in the partnership. Upon such petition being presented the court shall, in such manner as it sees fit, learn and by order fix the value of the interest of the deceased over and above all partnership debts and obligations, and the terms and conditions upon which the surviving partner or partners may purchase, and thereafter the surviving partner or partners shall have the preference right for such length of time as the court may fix, to purchase the interest of the deceased partner at the price and upon the terms and conditions fixed by the court. If any such surviving partner be also the executor or administrator of the estate of the deceased partner, such fact shall not affect his right to purchase, or to join with the other surviving partners to purchase such interest in the manner hereinbefore provided.

Petition to purchase deceased's interest.

Court to fix value, terms, and conditions.

Survivors' preference.

Survivor as executor.

The court shall make such orders in connection with such sale as it deems proper or necessary to protect the estate of the deceased against any liability for partnership debts or obligations.

Orders regarding sale.

[Am. R.R.S. § 1459.]

SEC. 6. Section 11.64.040, R.C.W., as derived from section 90, chapter 156, Laws of 1917, is hereby amended to read as follows:

Amendment.

The court may, in instances where it is deemed advisable, authorize and direct the executor or administrator of the estate of a deceased partner to

Agreement to continue business.

enter into an agreement with the surviving partner or partners under which the surviving partner or partners may continue to operate any going business of the former partnership until the further order of the court. The court may, in its discretion, revoke such authority and direction and thereby terminate such agreement at any time by further order, entered upon the application of the executor or administrator or the surviving partner or partners or any interested person or on its own motion.

Termination of agreement.

[Am. R.R.S. § 1460.]

Repealing clause.

SEC. 7. Sections 11.64.010, 11.64.020 and 11.64.050, R.C.W., as derived from sections 88 and 91, chapter 156, Laws of 1917, are hereby repealed.

[R.C.W. 11.64.010 and 11.64.020 are derived from R.R.S. § 1458, R.C.W. 11.64.050 from R.R.S. § 1461, Rep. R.R.S. §§ 1458 and 1461.]

Passed the Senate March 2, 1951.

Passed the House March 5, 1951.

Approved by the Governor March 17, 1951.

CHAPTER 198.

[S. B. 148.]

INDUSTRIAL INSURANCE—PREMIUMS OF EMPLOYERS OF THE BUILDING INDUSTRY.

AN ACT relating to industrial insurance; providing that the premiums of employers operating coal mines may be computed on the merit rating system; and amending section 51.16.050, R.C.W.

Be it enacted by the Legislature of the State of Washington:

Amendment.

SECTION 1. Section 51.16.050, R.C.W., as derived from section 1, chapter 247, Laws of 1947, is amended to read as follows:

Building industry employers; premiums.

The premiums of employers of the building industry, which shall include all field activities in connection with the erection, alteration, repairing, or