

**PARTNERS AND JOINT DEBTORS; SETTLEMENTS OR COMPROMISES WITH CREDITORS
(EXCERPT)
Act 181 of 1859**

449.151 Copartnerships; settlements with creditors; discharge of partner not party.

Sec. 1.

That whenever any firm or copartnership shall be dissolved by mutual consent or otherwise it shall and may be lawful for any 1 or more of the individuals composing such firm or copartnership to make a separate settlement or compromise with any 1 or all of the creditors of such firm or copartnership and such settlement or compromise shall be a full and complete discharge both in law and in equity to the debtor or debtors making such settlement or compromise and to such debtor or debtors only of and from all and every liability to the creditor or creditors with whom the same is made or incurred by reason of his or their connection with such firm or copartnership: Provided however, that in case of such settlement or compromise the copartner or copartners who are not parties to the same shall be discharged from all liability to the creditor or creditors except for their joint ratable portion of such copartnership debt.

History: CL 1871, 6199 ;-- How. 7783 ;-- CL 1897, 10449 ;-- CL 1915, 14581 ;-- CL 1929, 9935 ;-- CL 1948, 449.151

Compiler's Notes: This act was expressly excepted from the repeal of Ch. 288, CL 1897, by Act 314 of 1915.