

Trusts Act, 1882

Section 67 - WRONGFUL EMPLOYMENT BY PARTNER-TRUSTEE OF TRUST-PROPERTY FOR PARTNERSHIP PURPOSES. If a partner, being a trustee,

a) A and B are partners. A dies, having bequeathed all his property to B in trust for Z. and appointed B his sole executor, B, instead of winding up the affairs of the partnership, retains all the assets in the business. Z may compel him as partner, to account for so much of the profits as are derived from A's share of the capital. B is also answerable to Z for the improper employment of A's assets. (b) A. a trader, bequeaths his property to B in trust for C. Appoints B his sole executor, and dies. B enters into partnership with X and Y in the same trade, and employs A's assets in the partnership-business. B gives an indemnity to X and Y against the claims of C. Here X and Y are jointly liable with B to C as having knowingly become parties to the breach of trust committed by B.