CHAPTER 321

UNIFORM LIMITED PARTNERSHIP ACT 2001

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ARTICLE 1
GENERAL PROVISIONS

321.0101 SHORT TITLE.

This chapter may be cited as the "Uniform Limited Partnership Act 2001."

History: *2004 c 199 art 1 s 1*

321.0102 DEFINITIONS.

In this chapter:

(1) "Certificate of limited partnership" means the certificate required by section 321.0201. The term includes the certificate as amended or restated.

(2) "Contribution," except in the phrase "right of contribution," means any benefit provided by a person to a limited partnership in order to become a partner or in the person's capacity as a partner.

(3) "Debtor in bankruptcy" means a person that is the subject of:

(A) an order for relief under Title 11 of the United States Code or a comparable order under a successor statute of general application; or

(B) a comparable order under federal, state, or foreign law governing insolvency.

(4) "Designated office" means:

(A) with respect to a limited partnership, the office that the limited partnership is required to designate and maintain under section 321.0114; and

(B) with respect to a foreign limited partnership, its principal office.

(5) "Distribution" means a transfer of money or other property from a limited partnership to a partner in the partner's capacity as a partner or to a transferee on account of a transferable interest owned by the transferee.

(6) "Foreign limited liability limited partnership" means a foreign limited partnership whose general partners have limited liability for the obligations of the foreign limited partnership under a provision similar to section 321.0404(c).

(7) "Foreign limited partnership" means a partnership formed under the laws of a jurisdiction other than this state and required by those laws to have one or more general partners and one or more limited partners. The term includes a foreign limited liability limited partnership.

(8) "General partner" means:

(A) with respect to a limited partnership, a person that:

(i) becomes a general partner under section 321.0401 and has not become dissociated as a general partner under section 321.0603; or

(ii) was a general partner in a limited partnership when the limited partnership became subject to this chapter under section 321.1206(b), (c), or (f) and has not become dissociated as a general partner under section 321.0603; and

(B) with respect to a foreign limited partnership, a person that has rights, powers, and obligations similar to those of a general partner in a limited partnership.

(9) "Limited liability limited partnership," except in the phrases "foreign limited liability limited partnership" and "limited partnership that is a limited liability limited partnership under section 322A.88," means:

(A) a limited partnership whose certificate of limited partnership states that the limited partnership is a limited liability limited partnership; or

(B) a limited partnership that:

(i) became subject to this chapter under section 321.1206(b), (c), or (f);

(ii) immediately before becoming subject to this chapter was a limited liability limited partnership under section 322A.88; and

(iii) since becoming subject to this chapter has not amended its certificate of limited partnership to state that it is not a limited liability limited partnership.

(10) "Limited partner" means:

(A) with respect to a limited partnership, a person that:

(i) becomes a limited partner under section 321.0301 and has not become dissociated as a limited partner under section 321.0601; or

(ii) was a limited partner in a limited partnership when the limited partnership became subject to this chapter under section 321.1206(b), (c), or (f) and has not become dissociated as a limited partner under section 321.0601; and

(B) with respect to a foreign limited partnership, a person that has rights, powers, and obligations similar to those of a limited partner in a limited partnership.

(11) "Limited partnership," except in the phrases "foreign limited partnership," "foreign limited liability limited partnership," "limited partnership formed under chapter 322," "limited partnership formed under chapter 322A," and "limited partnership that is a limited liability limited partnership under chapter 322A," means an entity, having one or more general partners and one or more limited partners, which is formed under this chapter by two or more persons or becomes subject to this chapter under article 11 or section 321.1206(b), (c), or (f). The term includes a limited liability limited partnership.

(12) "Partner" means a limited partner or general partner.

(13) "Partnership agreement" means the partners' agreement, whether oral, implied, in a record, or in any combination, concerning the limited partnership. The term includes the agreement as amended.

(14) "Person" means an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, government; governmental subdivision, agency, or instrumentality; public corporation, or any other legal or commercial entity.

(15) "Person dissociated as a general partner" means a person dissociated as a general partner of a limited partnership.

(16) "Principal office" means the office where the principal executive office of a limited partnership or foreign limited partnership is located, whether or not the office is located in this state.

(17) "Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

(18) "Required information" means the information that a limited partnership is required to maintain under section 321.0111.

(19) "Sign" means:

(A) to execute or adopt a tangible symbol with the present intent to authenticate a record; or

(B) to attach or logically associate an electronic symbol, sound, or process to or with a record with the present intent to authenticate the record.

(20) "State" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States.

(21) "Transfer" includes an assignment, conveyance, deed, bill of sale, lease, mortgage, security interest, encumbrance, gift, and transfer by operation of law.

(22) "Transferable interest" means a partner's right to receive distributions.

(23) "Transferee" means, except in section 321.0409, a person to which all or part of a transferable interest has been transferred, whether or not the transferor is a partner.

History: *2004 c 199 art 1 s 2*

321.0103 KNOWLEDGE AND NOTICE.

(a) A person knows a fact if the person has actual knowledge of it.

(b) A person has notice of a fact if the person:

(1) knows of it;

(2) has received a notification of it;

(3) has reason to know it exists from all of the facts known to the person at the time in question; or

(4) has notice of it under subsection (c) or (d).

(c) A certificate of limited partnership on file in the Office of the Secretary of State is notice that the partnership is a limited partnership and the persons designated in the certificate as general partners are general partners. Except as otherwise provided in subsections (d) and (i), the certificate is not notice of any other fact.

(d) Subject to subsection (i), a person has notice of:

(1) another person's dissociation as a general partner, 90 days after the effective date of a filed amendment to the certificate of limited partnership which states that the other person has dissociated or 90 days after the effective date of a filed statement of dissociation pertaining to the other person, whichever occurs first;

(2) a limited partnership's dissolution, 90 days after the effective date of a filed amendment to the certificate of limited partnership stating that the limited partnership is dissolved;

(3) a limited partnership's termination, 90 days after the effective date of a filed statement of termination;

(4) a limited partnership's conversion under article 11, 90 days after the effective date of the filed articles of conversion; or

(5) a merger under article 11, 90 days after the effective date of the filed articles of merger.

(e) A person notifies or gives a notification to another person by taking steps reasonably required to inform the other person in ordinary course, whether or not the other person learns of it.

(f) A person receives a notification when the notification:

(1) comes to the person's attention; or

(2) is delivered at the person's place of business or at any other place held out by the person as a place for receiving communications.

(g) Except as otherwise provided in subsection (h), a person other than an individual knows, has notice, or receives a notification of a fact for purposes of a particular transaction when the individual conducting the transaction for the person knows, has notice, or receives a notification of the fact, or in any event when the fact would have been brought to the individual's attention if the person had exercised reasonable diligence. A person other than an individual exercises reasonable diligence if it maintains reasonable routines for communicating significant information to the individual conducting the transaction for the person and there is reasonable compliance with the routines. Reasonable diligence does not require an individual acting for the person to communicate information unless the communication is part of the individual's regular duties or the individual has reason to know of the transaction and that the transaction would be materially affected by the information.

(h) A general partner's knowledge, notice, or receipt of a notification of a fact relating to the limited partnership is effective immediately as knowledge of, notice to, or receipt of a notification by the limited partnership, except in the case of a fraud on the limited partnership committed by or with the consent of the general partner. A limited partner's knowledge, notice, or receipt of a notification of a fact relating to the limited partnership is not effective as knowledge of, notice to, or receipt of a notification by the limited partnership.

(i) Notice otherwise effective under subsection (d) does not affect the power of a person to transfer real property held in the name of a limited partnership unless at the time of transfer a certified copy of the relevant statement, amendment, or articles, as filed with the secretary of state, has been recorded in the office of the county recorder in the county in which the real property affected by the statement, amendment, or articles is located or, if the real property is registered under chapter 508 or 508A, memorialized on the certificate of title for that property.

History: *2004 c 199 art 1 s 3*

321.0104 NATURE, PURPOSE, AND DURATION OF ENTITY.

(a) A limited partnership is an entity distinct from its partners. A limited partnership is the same entity regardless of whether its certificate states that the limited partnership is a limited liability limited partnership.

(b) A limited partnership may be organized under this chapter for any lawful purpose.

(c) A limited partnership has a perpetual duration.

History: *2004 c 199 art 1 s 4*

321.0105 POWERS.

A limited partnership has the powers to do all things necessary or convenient to carry on its activities, including the power to sue, be sued, and defend in its own name and to maintain an action against a partner for harm caused to the limited partnership by a breach of the partnership agreement or violation of a duty to the partnership.

History: *2004 c 199 art 1 s 5*

321.0106 GOVERNING LAW.

The law of this state governs relations among the partners of a limited partnership and between the partners and the limited partnership and the liability of partners as partners for an obligation of the limited partnership.

History: *2004 c 199 art 1 s 6*

321.0107 SUPPLEMENTAL PRINCIPLES OF LAW; RATE OF INTEREST.

(a) Unless displaced by particular provisions of this chapter, the principles of law and equity supplement this chapter.

(b) If an obligation to pay interest arises under this chapter and the rate is not specified, the rate is that specified in section 334.01.

History: *2004 c 199 art 1 s 7*

321.0108 NAME.

(a) The name of a limited partnership may contain the name of any partner.

(b) The name of a limited partnership that is not a limited liability limited partnership must contain the phrase "limited partnership" or the abbreviation "L.P." or "LP" and may not contain the phrase "limited liability limited partnership" or the abbreviation "LLLP" or "L.L.L.P."

(c) Except as provided in section 321.1206(e)(1), the name of a limited liability limited partnership must contain the phrase "limited liability limited partnership" or the abbreviation "LLLP" or "L.L.L.P." and must not otherwise contain the abbreviation "L.P." or "LP."

(d) The limited partnership name shall not contain a word or phrase that indicates or implies that it is formed for a purpose other than a legal purpose.

(e) The limited partnership name shall be distinguishable upon the records in the Office of the Secretary of State from the name of each domestic corporation, limited partnership, limited liability partnership, and limited liability company, whether profit or nonprofit, and each foreign corporation, limited partnership, limited liability partnership, and limited liability company on file, authorized or registered to do business in this state at the time of filing, whether profit or nonprofit, and each name the right to which is, at the time of formation, reserved as provided for in sections 5.35, 302A.117, 322A.03, 322C.0109, or 333.001 to 333.54, unless there is filed with the certificate of limited partnership one of the following:

(1) the written consent of the domestic corporation, limited partnership, limited liability partnership, or limited liability company, or the foreign corporation, limited partnership, limited liability partnership, or limited liability company authorized or registered to do business in this state or the holder of a reserved name or a name filed by or registered with the secretary of state under sections 333.001 to 333.54 having a name that is not distinguishable;

(2) a certified copy of a final decree of a court in this state establishing the prior right of the applicant to the use of the name in this state; or

(3) the applicant's affidavit that the corporation, limited partnership, or limited liability company with the name that is not distinguishable has been incorporated or on file in this state for at least three years prior to the affidavit, if it is a domestic corporation, limited partnership, or limited liability company, or has been authorized or registered to do business in this state for at least three years prior to the affidavit, if it is a foreign corporation, limited partnership, or limited liability company, or that the holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54 filed or registered that name at least three years prior to the affidavit; that the corporation, limited partnership, or limited liability company or holder has not during the three-year period before the affidavit filed any document with the secretary of state; that the applicant has mailed written notice to the corporation, limited partnership, or limited liability company or the holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54 by certified mail, return receipt requested, properly addressed to the registered office of the corporation or limited liability company or in care of the agent of the limited partnership, or the address of the holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54, shown in the records of the secretary of state, stating that the applicant intends to use a name that is not distinguishable and the notice has been returned to the applicant as undeliverable to the addressee corporation, limited partnership, limited liability company, or holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54; that the applicant, after diligent inquiry, has been unable to find any telephone listing for the corporation, limited partnership, or limited liability company with the name that is not distinguishable in the county in which is located the registered office of the corporation, limited partnership, or limited liability company shown in the records of the secretary of state or has been unable to find any telephone listing for the holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54 in the county in which is located the address of the holder shown in the records of the secretary of state; and that the applicant has no knowledge that the corporation, limited partnership, limited liability company, or holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54 is currently engaged in business in this state.

(f) The secretary of state shall determine whether a name is distinguishable from another name for purposes of this section and section 321.0109.

(g) This section and section 321.0109 do not abrogate or limit the law of unfair competition or unfair practices; nor sections 333.001 to 333.54; nor the laws of the United States with respect to the right to acquire and protect copyrights, trade names, trademarks, service names, service marks, or any other rights to the exclusive use of names or symbols; nor derogate the common law or the principles of equity.

(h) A limited partnership that is the surviving organization in a merger with one or more other organizations, or that is formed by the reorganization of one or more organizations, or that acquires by sale, lease, or other disposition to or exchange with an organization all or substantially all of the assets of another organization, including its name, may have the same name as that used in this state by any of the other organizations, if the other organization whose name is sought to be used was organized under the laws of, or is authorized to transact business in, this state.

(i) The use of a name by a limited partnership in violation of this section does not affect or vitiate its existence, but a court in this state may, upon application of the state or of a person interested or affected, enjoin the limited partnership from doing business under a name assumed in violation of this section, although its certificate of limited partnership may have been filed with the secretary of state and a certificate of formation issued.

History: *2004 c 199 art 1 s 8; 2008 c 203 s 12; 2008 c 277 art 1 s 69; 2009 c 98 s 16; 2014 c 157 art 2 s 28,29,31*

321.0109 RESERVATION OF NAME.

(a) The exclusive right to the use of a limited partnership name otherwise permitted by section 321.0108 may be reserved by:

(1) a person doing business in this state under that name;

(2) a person intending to form a limited partnership under this chapter;

(3) a limited partnership intending to change its name;

(4) a foreign limited partnership intending to make application for a certificate of authority to transact business in this state;

(5) a foreign limited partnership authorized to transact business in this state and intending to change its name;

(6) a person intending to form a limited partnership in another state and intending to have the foreign limited partnership make application for a certificate of authority to transact business in this state;

(7) a foreign limited partnership formed under a name that does not comply with section 321.0108(b) or (c), but the name reserved under this subsection may differ from the foreign limited partnership's name only to the extent necessary to comply with section 321.0108(b) and (c); or

(8) a foreign limited partnership doing business under that name or a name not distinguishable from that name in one or more states other than this state and not described in clause (4), (5), (6), or (7).

(b) The reservation shall be made by delivering for filing with the secretary of state a request that the name be reserved. If the name is available for use by the applicant, the secretary of state shall reserve the name for the exclusive use of the applicant for a period of 12 months. The reservation may be renewed for successive 12-month periods.

(c) The right to the exclusive use of a limited partnership name reserved pursuant to this section may be transferred to another person by or on behalf of the applicant for whom the name was reserved by delivering for filing with the secretary of state a notice of the transfer and specifying the name and address of the transferee.

History: *2004 c 199 art 1 s 9*

321.0110 EFFECT OF PARTNERSHIP AGREEMENT; NONWAIVABLE PROVISIONS.

(a) Except as otherwise provided in subsection (b), the partnership agreement governs relations among the partners and between the partners and the partnership. To the extent the partnership agreement does not otherwise provide, this chapter governs relations among the partners and between the partners and the partnership.

(b) A partnership agreement may not:

(1) vary a limited partnership's power under section 321.0105 to sue, be sued, and defend in its own name;

(2) vary the law applicable to a limited partnership under section 321.0106;

(3) vary the requirements of section 321.0204;

(4) vary the information required under section 321.0111 or unreasonably restrict the right to information under section 321.0304 or 321.0407, but the partnership agreement may impose reasonable restrictions on the availability and use of information obtained under those sections and may define appropriate remedies, including liquidated damages, for a breach of any reasonable restriction on use;

(5) eliminate the duty of loyalty under section 321.0408, but the partnership agreement may:

(A) identify specific types or categories of activities that do not violate the duty of loyalty, if not manifestly unreasonable; and

(B) specify the number or percentage of partners which may authorize or ratify, after full disclosure to all partners of all material facts, a specific act or transaction that otherwise would violate the duty of loyalty;

(6) unreasonably reduce the duty of care under section 321.0408(c);

(7) eliminate the obligation of good faith and fair dealing under sections 321.0305(b) and 321.0408(d), but the partnership agreement may prescribe the standards by which the performance of the obligation is to be measured, if the standards are not manifestly unreasonable;

(8) vary the power of a person to dissociate as a general partner under section 321.0604(a) except to require that the notice under section 321.0603(1) be in a record;

(9) vary the power of a court to decree dissolution in the circumstances specified in section 321.0802;

(10) vary the requirement to wind up the partnership's business as specified in section 321.0803;

(11) unreasonably restrict the right to maintain an action under article 10;

(12) restrict the right of a partner under section 321.1110(a) to approve a conversion or merger or the right of a general partner under section 321.1110(b) to consent to an amendment to the certificate of limited partnership which deletes a statement that the limited partnership is a limited liability limited partnership; or

(13) restrict rights under this chapter of a person other than a partner or a transferee.

History: *2004 c 199 art 1 s 10*

321.0111 REQUIRED INFORMATION.

A limited partnership shall maintain at its designated office the following information:

(1) a current list showing the full name and last known street and mailing address of each partner, separately identifying the general partners, in alphabetical order, and the limited partners, in alphabetical order;

(2) a copy of the initial certificate of limited partnership and all amendments to and restatements of the certificate, together with signed copies of any powers of attorney under which any certificate, amendment, or restatement has been signed;

(3) a copy of any filed articles of conversion or merger;

(4) a copy of the limited partnership's federal, state, and local income tax returns and reports, if any, for the three most recent years;

(5) a copy of any partnership agreement made in a record and any amendment made in a record to any partnership agreement;

(6) a copy of any financial statement of the limited partnership for the three most recent years;

(7) a copy of the three most recent annual reports delivered by the limited partnership to the secretary of state pursuant to section 321.0210;

(8) a copy of any record made by the limited partnership during the past three years of any consent given by or vote taken of any partner pursuant to this chapter or the partnership agreement; and

(9) unless contained in a partnership agreement made in a record, a record stating:

(A) the amount of cash, and a description and statement of the agreed value of the other benefits, contributed and agreed to be contributed by each partner;

(B) the times at which, or events on the happening of which, any additional contributions agreed to be made by each partner are to be made;

(C) for any person that is both a general partner and a limited partner, a specification of what transferable interest the person owns in each capacity; and

(D) any events upon the happening of which the limited partnership is to be dissolved and its activities wound up.

History: *2004 c 199 art 1 s 11*

321.0112 BUSINESS TRANSACTIONS OF PARTNER WITH PARTNERSHIP.

A partner may lend money to and transact other business with the limited partnership and has the same rights and obligations with respect to the loan or other transaction as a person that is not a partner.

History: *2004 c 199 art 1 s 12*

321.0113 DUAL CAPACITY.

A person may be both a general partner and a limited partner. A person that is both a general and limited partner has the rights, powers, duties, and obligations provided by this chapter and the partnership agreement in each of those capacities. When the person acts as a general partner, the person is subject to the obligations, duties and restrictions under this chapter and the partnership agreement for general partners. When the person acts as a limited partner, the person is subject to the obligations, duties and restrictions under this chapter and the partnership agreement for limited partners.

History: *2004 c 199 art 1 s 13*

321.0114 OFFICE AND AGENT FOR SERVICE OF PROCESS.

Every limited partnership shall have a registered office and shall have a registered agent, and may change its registered office or change its registered agent, and the agent may resign or change its business address or name, in the manner prescribed by section 5.36.

History: *2004 c 199 art 1 s 14; 2010 c 250 art 2 s 19*

321.0115 CHANGE OF DESIGNATED OFFICE OR AGENT FOR SERVICE OF PROCESS.

(a) In order to change its designated office, agent for service of process, or the address of its agent for service of process, a limited partnership or a foreign limited partnership may deliver to the secretary of state for filing a statement of change containing:

(1) the name of the limited partnership or foreign limited partnership;

(2) if the current designated office is to be changed, the street and mailing address of the new designated office; and

(3) if the current agent for service of process or an address of the agent is to be changed, the new information.

(b) Subject to section 321.0206(c), a statement of change is effective when filed by the secretary of state.

History: *2004 c 199 art 1 s 15*

321.0116 RESIGNATION OF AGENT FOR SERVICE OF PROCESS.

Subdivision 1. **Resignation of agent.** An agent of a limited partnership or a foreign limited partnership may resign by delivering for filing with the secretary of state a signed written notice of resignation, including a statement that a signed copy of the notice has been given to the limited partnership at its principal office or to a legal representative of the limited partnership. The appointment of the agent terminates 30 days after the notice is filed by the secretary of state.

Subd. 2. **Change of business address or name of agent.** If the business address or name of an agent changes, the agent shall change the address of the designated office or the name of the agent, as the case may be, of each limited partnership or foreign limited partnership represented by that agent by delivering for filing with the secretary of state a change of designated office statement signed by the agent, stating that a copy of the statement has been mailed to each of those limited partnerships or foreign limited partnerships or to the legal representative of each of those limited partnerships or foreign limited partnerships.

History: *2004 c 199 art 1 s 16*

321.0117 SERVICE OF PROCESS.

A process, notice, or demand required or permitted by law to be served may be served as provided in section 5.25.

History: *2004 c 199 art 1 s 17*

321.0118 CONSENT AND PROXIES OF PARTNERS.

Action requiring the consent of partners under this chapter may be taken without a meeting, and a partner may appoint a proxy to consent or otherwise act for the partner by signing an appointment record, either personally or by the partner's attorney-in-fact.

History: *2004 c 199 art 1 s 18*

ARTICLE 2
FORMATION; CERTIFICATION OF LIMITED PARTNERSHIP AND OTHER FILINGS

321.0201 FORMATION OF LIMITED PARTNERSHIP; CERTIFICATE OF LIMITED PARTNERSHIP.

(a) In order for a limited partnership to be formed, a certificate of limited partnership must be delivered to the secretary of state for filing. The certificate must state:

(1) the name of the limited partnership, which must comply with section 321.0108;

(2) the street and mailing address of the initial designated office and the name and street and mailing address of the initial agent for service of process;

(3) the name and the street and mailing address of each general partner;

(4) whether the limited partnership is a limited liability limited partnership; and

(5) any additional information required by article 11.

(b) A certificate of limited partnership may also contain any other matters but may not vary or otherwise affect the provisions specified in section 321.0110(b) in a manner inconsistent with that section.

(c) If there has been substantial compliance with subsection (a), subject to section 321.0206(c) a limited partnership is formed when the secretary of state files the certificate of limited partnership.

(d) Subject to subsection (b), if any provision of a partnership agreement is inconsistent with the filed certificate of limited partnership or with a filed statement of dissociation, termination, or change or filed articles of conversion or merger:

(1) the partnership agreement prevails as to partners and transferees; and

(2) the filed certificate of limited partnership, statement of dissociation, termination, or change or articles of conversion or merger prevail as to persons, other than partners and transferees, that reasonably rely on the filed record to their detriment.

History: *2004 c 199 art 2 s 19*

321.0202 AMENDMENT OR RESTATEMENT OF CERTIFICATE.

(a) In order to amend its certificate of limited partnership, a limited partnership must deliver to the secretary of state for filing an amendment or, pursuant to article 11, articles of merger stating:

(1) the name of the limited partnership;

(2) the date of filing of its initial certificate; and

(3) the changes the amendment makes to the certificate as most recently amended or restated.

(b) A limited partnership shall promptly deliver to the secretary of state for filing an amendment to a certificate of limited partnership to reflect:

(1) the admission of a new general partner;

(2) the dissociation of a person as a general partner; or

(3) the appointment of a person to wind up the limited partnership's activities under section 321.0803(c) or (d).

(c) A general partner that knows that any information in a filed certificate of limited partnership was false when the certificate was filed or has become false due to changed circumstances shall promptly:

(1) cause the certificate to be amended; or

(2) if appropriate, deliver to the secretary of state for filing a statement of change pursuant to section 321.0115 or a statement of correction pursuant to section 321.0207.

(d) A certificate of limited partnership may be amended at any time for any other proper purpose as determined by the limited partnership.

(e) A restated certificate of limited partnership may be delivered to the secretary of state for filing in the same manner as an amendment.

(f) Subject to section 321.0206(c), an amendment or restated certificate is effective when filed by the secretary of state.

History: *2004 c 199 art 2 s 20*

321.0203 STATEMENT OF TERMINATION.

A dissolved limited partnership that has completed winding up may deliver to the secretary of state for filing a statement of termination that states:

(1) the name of the limited partnership;

(2) the date of filing of its initial certificate of limited partnership; and

(3) any other information as determined by the general partners filing the statement or by a person appointed pursuant to section 321.0803(c) or (d).

History: *2004 c 199 art 2 s 21*

321.0204 SIGNING OF RECORDS.

(a) Each record delivered to the secretary of state for filing pursuant to this chapter must be signed in the following manner:

(1) An initial certificate of limited partnership must be signed by all general partners listed in the certificate.

(2) An amendment adding or deleting a statement that the limited partnership is a limited liability limited partnership must be signed by all general partners listed in the certificate.

(3) An amendment designating as general partner a person admitted under section 321.0801(3)(B) following the dissociation of a limited partnership's last general partner must be signed by that person.

(4) An amendment required by section 321.0803(c) following the appointment of a person to wind up the dissolved limited partnership's activities must be signed by that person.

(5) Any other amendment must be signed by:

(A) at least one general partner listed in the certificate;

(B) each other person designated in the amendment as a new general partner; and

(C) each person that the amendment indicates has dissociated as a general partner, unless:

(i) the person is deceased or a guardian or general conservator has been appointed for the person and the amendment so states; or

(ii) the person has previously delivered to the secretary of state for filing a statement of dissociation.

(6) A restated certificate of limited partnership must be signed by at least one general partner listed in the certificate, and, to the extent the restated certificate effects a change under any other paragraph of this subsection, the certificate must be signed in a manner that satisfies that paragraph.

(7) A statement of termination must be signed by all general partners listed in the certificate or, if the certificate of a dissolved limited partnership lists no general partners, by the person appointed pursuant to section 321.0803(c) or (d) to wind up the dissolved limited partnership's activities.

(8) Articles of conversion must be signed by each general partner listed in the certificate of limited partnership.

(9) Articles of merger must be signed as provided in section 321.1108(a).

(10) Any other record delivered on behalf of a limited partnership to the secretary of state for filing must be signed by at least one general partner listed in the certificate.

(11) A statement by a person pursuant to section 321.0605(a)(4) stating that the person has dissociated as a general partner must be signed by that person.

(12) A statement of withdrawal by a person pursuant to section 321.0306 must be signed by that person.

(13) A record delivered on behalf of a foreign limited partnership to the secretary of state for filing must be signed by at least one general partner of the foreign limited partnership.

(14) Any other record delivered on behalf of any person to the secretary of state for filing must be signed by that person.

(b) Any person may sign by an attorney-in-fact any record to be filed pursuant to this chapter.

History: *2004 c 199 art 2 s 22*

321.0205 SIGNING AND FILING PURSUANT TO JUDICIAL ORDER.

(a) If a person required by this chapter to sign a record or deliver a record to the secretary of state for filing does not do so, any other person that is aggrieved may petition the district court to order:

(1) the person to sign the record;

(2) deliver the record to the secretary of state for filing; or

(3) the secretary of state to file the record unsigned.

(b) If the person aggrieved under subsection (a) is not the limited partnership or foreign limited partnership to which the record pertains, the aggrieved person shall make the limited partnership or foreign limited partnership a party to the action. A person aggrieved under subsection (a) may seek the remedies provided in subsection (a) in the same action in combination or in the alternative.

(c) A record filed unsigned pursuant to this section is effective without being signed.

History: *2004 c 199 art 2 s 23*

321.0206 DELIVERY TO AND FILING OF RECORDS BY SECRETARY OF STATE; EFFECTIVE TIME AND DATE.

(a) A record authorized or required to be delivered to the secretary of state for filing under this chapter must be captioned to describe the record's purpose, be in a medium permitted by the secretary of state, and be delivered to the secretary of state. Unless the secretary of state determines that a record does not comply with the filing requirements of this chapter, and if the appropriate filing fees have been paid, the secretary of state shall file the record and:

(1) for a statement of dissociation, send:

(A) a copy of the filed statement to the person which the statement indicates has dissociated as a general partner; and

(B) a copy of the filed statement to the limited partnership;

(2) for a statement of withdrawal, send:

(A) a copy of the filed statement to the person on whose behalf the record was filed; and

(B) if the statement refers to an existing limited partnership, a copy of the filed statement to the limited partnership; and

(3) for all other records, send a copy of the filed record to the person on whose behalf the record was filed.

(b) Upon request and payment of a fee, the secretary of state shall send to the requester a certified copy of the requested record.

(c) Except as otherwise provided in sections 321.0116 and 321.0207, a record delivered to the secretary of state for filing under this chapter may specify an effective time and a delayed effective date. Except as otherwise provided in this chapter, a record filed by the secretary of state is effective:

(1) if the record does not specify an effective time and does not specify a delayed effective date, on the date and at the time the record is filed as evidenced by the secretary of state's endorsement of the date and time on the record;

(2) if the record specifies an effective time but not a delayed effective date, on the date the record is filed at the time specified in the record;

(3) if the record specifies a delayed effective date but not an effective time, at 12:01 a.m. on the earlier of:

(A) the specified date; or

(B) the 30th day after the record is filed; or

(4) if the record specifies an effective time and a delayed effective date, at the specified time on the earlier of:

(A) the specified date; or

(B) the 30th day after the record is filed.

(d) The appropriate fees for filings under this chapter are:

(1) for filing a certificate of limited partnership, $100;

(2) for filing an amended certificate of limited partnership, $50;

(3) for filing a name reservation for a limited partnership name, $35;

(4) for filing any other record, other than the annual renewal required by section 321.0210, for which no fee must be charged, required or permitted to be delivered for filing, $50;

(5) for filing a certificate requesting authority to transact business in Minnesota as a foreign limited partnership, $100;

(6) for filing an application of reinstatement, $25;

(7) for filing a name reservation for a foreign limited partnership name, $35; and

(8) for filing any other record, other than the annual renewal required by section 321.0210, for which no fee must be charged, required or permitted to be delivered for filing on a foreign limited partnership authorized to transact business in Minnesota, $50.

History: *2004 c 199 art 2 s 24; 2007 c 148 art 2 s 56; 2009 c 101 art 2 s 80*

321.0207 CORRECTING FILED RECORD.

A limited partnership or foreign limited partnership may deliver to the secretary of state for filing articles of correction pursuant to section 5.16, except that for the purposes of section 321.0103(c) and (d) the articles are effective only as of the date they are filed.

History: *2004 c 199 art 2 s 25*

321.0208 LIABILITY FOR FALSE INFORMATION IN FILED RECORD.

(a) If a record delivered to the secretary of state for filing under this chapter and filed by the secretary of state contains false information, a person that suffers loss by reliance on the information may recover damages for the loss from:

(1) a person that signed the record, or caused another to sign it on the person's behalf, and knew the information to be false at the time the record was signed; and

(2) a general partner that has notice that the information was false when the record was filed or has become false because of changed circumstances, if the general partner has notice for a reasonably sufficient time before the information is relied upon to enable the general partner to effect an amendment under section 321.0202, file a petition pursuant to section 321.0205, or deliver to the secretary of state for filing a statement of change pursuant to section 321.0115 or a statement of correction pursuant to section 321.0207.

(b) A person signing a record pursuant to this chapter is subject to section 5.15.

History: *2004 c 199 art 2 s 26*

321.0210 ANNUAL RENEWAL FOR SECRETARY OF STATE.

(a) Subject to subsection (b):

(1) in each calendar year following the calendar year in which a limited partnership becomes subject to this chapter, the limited partnership must deliver to the secretary of state for filing an annual renewal containing the information required by subsection (c); and

(2) in each calendar year following the calendar year in which there is first on file with the secretary of state a certificate of authority under section 321.0904 pertaining to a foreign limited partnership, the foreign limited partnership must deliver to the secretary of state for filing an annual renewal containing the information required by subsection (c).

(b) A limited partnership's obligation under subsection (a) ends if the limited partnership delivers to the secretary of state for filing a statement of termination under section 321.0203 and the statement becomes effective under section 321.0206. A foreign limited partnership's obligation under subsection (a) ends if the secretary of state issues and files a certificate of revocation under section 321.0906 or if the foreign limited partnership delivers to the secretary of state for filing a notice of cancellation under section 321.0907(a) and that notice takes effect under section 321.0206. If a foreign limited partnership's obligations under subsection (a) end and later the secretary of state files, pursuant to section 321.0904, a new certificate of authority pertaining to that foreign limited partnership, subsection (a)(2), again applies to the foreign limited partnership and, for the purposes of subsection (a)(2), the calendar year of the new filing is treated as the calendar year in which a certificate of authority is first on file with the secretary of state.

(c) The annual renewal must contain the items required by section 5.34.

(d) The secretary of state shall:

(1) administratively dissolve under section 321.0809 a limited partnership that has failed to file a renewal pursuant to subsection (a); and

(2) revoke under section 321.0906 the certificate of authority of a foreign limited partnership that has failed to file a renewal pursuant to subsection (a).

History: *2004 c 199 art 2 s 27; 2005 c 10 art 1 s 65; 2007 c 148 art 2 s 57; 2009 c 101 art 2 s 81*

ARTICLE 3
LIMITED PARTNERS

321.0301 BECOMING LIMITED PARTNER.

A person becomes a limited partner:

(1) as provided in the partnership agreement;

(2) as the result of a conversion or merger under article 11; or

(3) with the consent of all the partners.

History: *2004 c 199 art 3 s 28*

321.0302 NO RIGHT OR POWER AS LIMITED PARTNER TO BIND LIMITED PARTNERSHIP.

A limited partner does not have the right or the power as a limited partner to act for or bind the limited partnership.

History: *2004 c 199 art 3 s 29*

321.0303 NO LIABILITY AS LIMITED PARTNER FOR LIMITED PARTNERSHIP OBLIGATIONS.

An obligation of a limited partnership, whether arising in contract, tort, or otherwise, is not the obligation of a limited partner. A limited partner is not personally liable, directly or indirectly, by way of contribution or otherwise, for an obligation of the limited partnership solely by reason of being a limited partner, even if the limited partner participates in the management and control of the limited partnership.

History: *2004 c 199 art 3 s 30*

321.0304 RIGHT OF LIMITED PARTNER AND FORMER LIMITED PARTNER TO INFORMATION.

(a) On ten days' demand, made in a record received by the limited partnership, a limited partner may inspect and copy required information during regular business hours in the limited partnership's designated office. The limited partner need not have any particular purpose for seeking the information.

(b) During regular business hours and at a reasonable location specified by the limited partnership, a limited partner may obtain from the limited partnership and inspect and copy true and full information regarding the state of the activities and financial condition of the limited partnership and other information regarding the activities of the limited partnership as is just and reasonable if:

(1) the limited partner seeks the information for a purpose reasonably related to the partner's interest as a limited partner;

(2) the limited partner makes a demand in a record received by the limited partnership, describing with reasonable particularity the information sought and the purpose for seeking the information; and

(3) the information sought is directly connected to the limited partner's purpose.

(c) Within ten days after receiving a demand pursuant to subsection (b), the limited partnership in a record shall inform the limited partner that made the demand:

(1) what information the limited partnership will provide in response to the demand;

(2) when and where the limited partnership will provide the information; and

(3) if the limited partnership declines to provide any demanded information, the limited partnership's reasons for declining.

(d) Subject to subsection (f), a person dissociated as a limited partner may inspect and copy required information during regular business hours in the limited partnership's designated office if:

(1) the information pertains to the period during which the person was a limited partner;

(2) the person seeks the information in good faith; and

(3) the person meets the requirements of subsection (b).

(e) The limited partnership shall respond to a demand made pursuant to subsection (d) in the same manner as provided in subsection (c).

(f) If a limited partner dies, section 321.0704 applies.

(g) The limited partnership may impose reasonable restrictions on the use of information obtained under this section. In a dispute concerning the reasonableness of a restriction under this subsection, the limited partnership has the burden of proving reasonableness.

(h) A limited partnership may charge a person that makes a demand under this section reasonable costs of copying, limited to the costs of labor and material.

(i) Whenever this chapter or a partnership agreement provides for a limited partner to give or withhold consent to a matter, before the consent is given or withheld, the limited partnership shall, without demand, provide the limited partner with all information material to the limited partner's decision that the limited partnership knows.

(j) A limited partner or person dissociated as a limited partner may exercise the rights under this section through an attorney or other agent. Any restriction imposed under subsection (g) or by the partnership agreement applies both to the attorney or other agent and to the limited partner or person dissociated as a limited partner.

(k) The rights stated in this section do not extend to a person as transferee, but may be exercised by the legal representative of an individual under legal disability who is a limited partner or person dissociated as a limited partner.

History: *2004 c 199 art 3 s 31*

321.0305 LIMITED DUTIES OF LIMITED PARTNERS.

(a) A limited partner does not have any fiduciary duty to the limited partnership or to any other partner solely by reason of being a limited partner.

(b) A limited partner shall discharge the duties to the partnership and the other partners under this chapter or under the partnership agreement and exercise any rights consistently with the obligation of good faith and fair dealing.

(c) A limited partner does not violate a duty or obligation under this chapter or under the partnership agreement merely because the limited partner's conduct furthers the limited partner's own interest.

History: *2004 c 199 art 3 s 32*

321.0306 PERSON ERRONEOUSLY BELIEVING SELF TO BE LIMITED PARTNER.

(a) Except as otherwise provided in subsection (b), a person that makes an investment in a business enterprise and erroneously but in good faith believes that the person has become a limited partner in the enterprise is not liable for the enterprise's obligations by reason of making the investment, receiving distributions from the enterprise, or exercising any rights of or appropriate to a limited partner, if, on ascertaining the mistake, the person:

(1) causes an appropriate certificate of limited partnership, amendment, or statement of correction to be signed and delivered to the secretary of state for filing; or

(2) withdraws from future participation as an owner in the enterprise by signing and delivering to the secretary of state for filing a statement of withdrawal under this section.

(b) A person that makes an investment described in subsection (a) is liable to the same extent as a general partner to any third party that enters into a transaction with the enterprise, believing in good faith that the person is a general partner, before the secretary of state files a statement of withdrawal, certificate of limited partnership, amendment, or statement of correction to show that the person is not a general partner.

(c) If a person makes a diligent effort in good faith to comply with subsection (a)(1) and is unable to cause the appropriate certificate of limited partnership, amendment, or statement of correction to be signed and delivered to the secretary of state for filing, the person has the right to withdraw from the enterprise pursuant to subsection (a)(2) even if the withdrawal would otherwise breach an agreement with others that are or have agreed to become co-owners of the enterprise.

History: *2004 c 199 art 3 s 33*

ARTICLE 4
GENERAL PARTNERS

321.0401 BECOMING GENERAL PARTNER.

A person becomes a general partner:

(1) as provided in the partnership agreement;

(2) under section 321.0801(3)(B) following the dissociation of a limited partnership's last general partner;

(3) as the result of a conversion or merger under article 11; or

(4) with the consent of all the partners.

History: *2004 c 199 art 4 s 34*

321.0402 GENERAL PARTNER AGENT OF LIMITED PARTNERSHIP.

(a) Each general partner is an agent of the limited partnership for the purposes of its activities. An act of a general partner, including the signing of a record in the partnership's name, for apparently carrying on in the ordinary course the limited partnership's activities or activities of the kind carried on by the limited partnership binds the limited partnership, unless the general partner did not have authority to act for the limited partnership in the particular matter and the person with which the general partner was dealing knew, had received a notification, or had notice under section 321.0103(d) that the general partner lacked authority.

(b) An act of a general partner which is not apparently for carrying on in the ordinary course the limited partnership's activities or activities of the kind carried on by the limited partnership binds the limited partnership only if the act was actually authorized by all the other partners.

History: *2004 c 199 art 4 s 35*

321.0403 LIMITED PARTNERSHIP LIABLE FOR GENERAL PARTNER'S ACTIONABLE CONDUCT.

(a) A limited partnership is liable for loss or injury caused to a person, or for a penalty incurred, as a result of a wrongful act or omission, or other actionable conduct, of a general partner acting in the ordinary course of activities of the limited partnership or with authority of the limited partnership.

(b) If, in the course of the limited partnership's activities or while acting with authority of the limited partnership, a general partner receives or causes the limited partnership to receive money or property of a person not a partner, and the money or property is misapplied by a general partner, the limited partnership is liable for the loss.

History: *2004 c 199 art 4 s 36*

321.0404 GENERAL PARTNER'S LIABILITY.

(a) Except as otherwise provided in subsections (b) and (c), all general partners are liable jointly and severally for all obligations of the limited partnership unless otherwise agreed by the claimant or provided by law.

(b) A person that becomes a general partner of an existing limited partnership is not personally liable for an obligation of a limited partnership incurred before the person became a general partner.

(c) An obligation of a limited partnership incurred while the limited partnership is a limited liability limited partnership, whether arising in contract, tort, or otherwise, is solely the obligation of the limited partnership. A general partner is not personally liable, directly or indirectly, by way of contribution or otherwise, for such an obligation solely by reason of being or acting as a general partner. This subsection applies despite anything inconsistent in the partnership agreement that existed immediately before the consent required to become a limited liability limited partnership under section 321.0406(b)(2).

History: *2004 c 199 art 4 s 37*

321.0405 ACTIONS BY AND AGAINST PARTNERSHIP AND PARTNERS.

(a) To the extent not inconsistent with section 321.0404, a general partner may be joined in an action against the limited partnership or named in a separate action.

(b) A judgment against a limited partnership is not by itself a judgment against a general partner. A judgment against a limited partnership may not be satisfied from a general partner's assets unless there is also a judgment against the general partner.

(c) A judgment creditor of a general partner may not levy execution against the assets of the general partner to satisfy a judgment based on a claim against the limited partnership, unless the partner is personally liable for the claim under section 321.0404 and:

(1) a judgment based on the same claim has been obtained against the limited partnership and a writ of execution on the judgment has been returned unsatisfied in whole or in part;

(2) the limited partnership is a debtor in bankruptcy;

(3) the general partner has agreed that the creditor need not exhaust limited partnership assets;

(4) a court grants permission to the judgment creditor to levy execution against the assets of a general partner based on a finding that limited partnership assets subject to execution are clearly insufficient to satisfy the judgment, that exhaustion of limited partnership assets is excessively burdensome, or that the grant of permission is an appropriate exercise of the court's equitable powers; or

(5) liability is imposed on the general partner by law or contract independent of the existence of the limited partnership.

History: *2004 c 199 art 4 s 38*

321.0406 MANAGEMENT RIGHTS OF GENERAL PARTNER.

(a) Each general partner has equal rights in the management and conduct of the limited partnership's activities. Except as expressly provided in this chapter, any matter relating to the activities of the limited partnership may be exclusively decided by the general partner or, if there is more than one general partner, by a majority of the general partners.

(b) The consent of each partner is necessary to:

(1) amend the partnership agreement;

(2) amend the certificate of limited partnership to add or, subject to section 321.1110, delete a statement that the limited partnership is a limited liability limited partnership; and

(3) sell, lease, exchange, or otherwise dispose of all, or substantially all, of the limited partnership's property, with or without the good will, other than in the usual and regular course of the limited partnership's activities.

(c) A limited partnership shall reimburse a general partner for payments made and indemnify a general partner for liabilities incurred by the general partner in the ordinary course of the activities of the partnership or for the preservation of its activities or property.

(d) A limited partnership shall reimburse a general partner for an advance to the limited partnership beyond the amount of capital the general partner agreed to contribute.

(e) A payment or advance made by a general partner which gives rise to an obligation of the limited partnership under subsection (c) or (d) constitutes a loan to the limited partnership which accrues interest from the date of the payment or advance.

(f) A general partner is not entitled to remuneration for services performed for the partnership.

History: *2004 c 199 art 4 s 39*

321.0407 RIGHT OF GENERAL PARTNER AND FORMER GENERAL PARTNER TO INFORMATION.

(a) A general partner, without having any particular purpose for seeking the information, may inspect and copy during regular business hours:

(1) in the limited partnership's designated office, required information; and

(2) at a reasonable location specified by the limited partnership, any other records maintained by the limited partnership regarding the limited partnership's activities and financial condition.

(b) Each general partner and the limited partnership shall furnish to a general partner:

(1) without demand, any information concerning the limited partnership's activities and financial condition reasonably required for the proper exercise of the general partner's rights and duties under the partnership agreement or this chapter; and

(2) on demand, any other information concerning the limited partnership's activities, except to the extent the demand or the information demanded is unreasonable or otherwise improper under the circumstances.

(c) Subject to subsection (e), on ten days' demand made in a record received by the limited partnership, a person dissociated as a general partner may have access to the information and records described in subsection (a) at the location specified in subsection (a) if:

(1) the information or record pertains to the period during which the person was a general partner;

(2) the person seeks the information or record in good faith; and

(3) the person satisfies the requirements imposed on a limited partner by section 321.0304(b).

(d) The limited partnership shall respond to a demand made pursuant to subsection (c) in the same manner as provided in section 321.0304(c).

(e) If a general partner dies, section 321.0704 applies.

(f) The limited partnership may impose reasonable restrictions on the use of information under this section. In any dispute concerning the reasonableness of a restriction under this subsection, the limited partnership has the burden of proving reasonableness.

(g) A limited partnership may charge a person dissociated as a general partner that makes a demand under this section reasonable costs of copying, limited to the costs of labor and material.

(h) A general partner or person dissociated as a general partner may exercise the rights under this section through an attorney or other agent. Any restriction imposed under subsection (f) or by the partnership agreement applies both to the attorney or other agent and to the general partner or person dissociated as a general partner.

(i) The rights under this section do not extend to a person as transferee, but the rights under subsection (c) of a person dissociated as a general may be exercised by the legal representative of an individual who dissociated as a general partner under section 321.0603(7)(B) or (C).

History: *2004 c 199 art 4 s 40*

321.0408 GENERAL STANDARDS OF GENERAL PARTNER'S CONDUCT.

(a) The only fiduciary duties that a general partner has to the limited partnership and the other partners are the duties of loyalty and care under subsections (b) and (c).

(b) A general partner's duty of loyalty to the limited partnership and the other partners is limited to the following:

(1) to account to the limited partnership and hold as trustee for it any property, profit, or benefit derived by the general partner in the conduct and winding up of the limited partnership's activities or derived from a use by the general partner of limited partnership property, including the appropriation of a limited partnership opportunity;

(2) to refrain from dealing with the limited partnership in the conduct or winding up of the limited partnership's activities as or on behalf of a party having an interest adverse to the limited partnership; and

(3) to refrain from competing with the limited partnership in the conduct or winding up of the limited partnership's activities.

(c) A general partner's duty of care to the limited partnership and the other partners in the conduct and winding up of the limited partnership's activities is limited to refraining from engaging in grossly negligent or reckless conduct, intentional misconduct, or a knowing violation of law.

(d) A general partner shall discharge the duties to the partnership and the other partners under this chapter or under the partnership agreement and exercise any rights consistently with the obligation of good faith and fair dealing.

(e) A general partner does not violate a duty or obligation under this chapter or under the partnership agreement merely because the general partner's conduct furthers the general partner's own interest.

History: *2004 c 199 art 4 s 41*

321.0409 TRANSFER OF PARTNERSHIP PROPERTY.

(a) Subject to the effect of a notification effective under section 321.0103(d) and (i), property held in the name of a limited partnership may be transferred by an instrument of transfer executed by a general partner in the limited partnership name.

(b) Where a transfer has been made to an initial transferee through an instrument of transfer effective under subsection (a), a limited partnership may recover the transferred limited partnership property from a transferee only if:

(1) the limited partnership proves that execution of the instrument of initial transfer did not bind the partnership under section 321.0402; and

(2) as to a subsequent transferee who gave value for the property, the limited partnership proves that the subsequent transferee knew or had received a notification that the person who executed the instrument of initial transfer lacked authority to bind the partnership.

(c) A partnership may not recover partnership property from a subsequent transferee if the partnership would not have been entitled to recover the property, under subsection (b), from any earlier transferee of the property.

(d) This section does not affect the power of a person dissociated as a general partner to bind a limited partnership under sections 321.0606(a) and 321.0804(b).

History: *2004 c 199 art 4 s 42*

ARTICLE 5
CONTRIBUTIONS AND DISTRIBUTIONS

321.0501 FORM OF CONTRIBUTION.

A contribution of a partner may consist of tangible or intangible property or other benefit to the limited partnership, including money, services performed, promissory notes, other agreements to contribute cash or property, and contracts for services to be performed.

History: *2004 c 199 art 5 s 43*

321.0502 LIABILITY FOR CONTRIBUTION.

(a) A partner's obligation to contribute money or other property or other benefit to, or to perform services for, a limited partnership is not excused by the partner's death, disability, or other inability to perform personally.

(b) If a partner does not make a promised nonmonetary contribution, the partner is obligated at the option of the limited partnership to contribute money equal to that portion of the value, as stated in the required information, of the stated contribution which has not been made.

(c) The obligation of a partner to make a contribution or return money or other property paid or distributed in violation of this chapter may be compromised only by consent of all partners. A creditor of a limited partnership which extends credit or otherwise acts in reliance on an obligation described in subsection (a), without notice of any compromise under this subsection, may enforce the original obligation.

History: *2004 c 199 art 5 s 44*

321.0503 SHARING OF DISTRIBUTIONS.

A distribution by a limited partnership must be shared among the partners on the basis of the value, as stated in the required information when the limited partnership decides to make the distribution, of the contributions the limited partnership has received from each partner.

History: *2004 c 199 art 5 s 45*

321.0504 INTERIM DISTRIBUTIONS.

A partner does not have a right to any distribution before the dissolution and winding up of the limited partnership unless the limited partnership decides to make an interim distribution.

History: *2004 c 199 art 5 s 46*

321.0505 NO DISTRIBUTION ON ACCOUNT OF DISSOCIATION.

A person does not have a right to receive a distribution on account of dissociation.

History: *2004 c 199 art 5 s 47*

321.0506 DISTRIBUTION IN KIND.

A partner does not have a right to demand or receive any distribution from a limited partnership in any form other than cash. Subject to section 321.0812(b), a limited partnership may distribute an asset in kind to the extent each partner receives a percentage of the asset equal to the partner's share of distributions.

History: *2004 c 199 art 5 s 48*

321.0507 RIGHT TO DISTRIBUTION.

When a partner or transferee becomes entitled to receive a distribution, the partner or transferee has the status of, and is entitled to all remedies available to, a creditor of the limited partnership with respect to the distribution. However, the limited partnership's obligation to make a distribution is subject to offset for any amount owed to the limited partnership by the partner or dissociated partner on whose account the distribution is made.

History: *2004 c 199 art 5 s 49*

321.0508 LIMITATIONS ON DISTRIBUTION.

(a) A limited partnership may not make a distribution in violation of the partnership agreement.

(b) A limited partnership may not make a distribution if after the distribution:

(1) the limited partnership would not be able to pay its debts as they become due in the ordinary course of the limited partnership's activities; or

(2) the limited partnership's total assets would be less than the sum of its total liabilities plus the amount that would be needed, if the limited partnership were to be dissolved, wound up, and terminated at the time of the distribution, to satisfy the preferential rights upon dissolution, winding up, and termination of partners whose preferential rights are superior to those of persons receiving the distribution.

(c) A limited partnership may base a determination that a distribution is not prohibited under subsection (b) on financial statements prepared on the basis of accounting practices and principles that are reasonable in the circumstances or on a fair valuation or other method that is reasonable in the circumstances.

(d) Except as otherwise provided in subsection (g), the effect of a distribution under subsection (b) is measured:

(1) in the case of distribution by purchase, redemption, or other acquisition of a transferable interest in the limited partnership, as of the date money or other property is transferred or debt incurred by the limited partnership; and

(2) in all other cases, as of the date:

(A) the distribution is authorized, if the payment occurs within 120 days after that date; or

(B) the payment is made, if payment occurs more than 120 days after the distribution is authorized.

(e) A limited partnership's indebtedness to a partner incurred by reason of a distribution made in accordance with this section is at parity with the limited partnership's indebtedness to its general, unsecured creditors.

(f) A limited partnership's indebtedness, including indebtedness issued in connection with or as part of a distribution, is not considered a liability for purposes of subsection (b) if the terms of the indebtedness provide that payment of principal and interest are made only to the extent that a distribution could then be made to partners under this section.

(g) If indebtedness is issued as a distribution, each payment of principal or interest on the indebtedness is treated as a distribution, the effect of which is measured on the date the payment is made.

History: *2004 c 199 art 5 s 50*

321.0509 LIABILITY FOR IMPROPER DISTRIBUTIONS.

(a) A general partner that consents to a distribution made in violation of section 321.0508 is personally liable to the limited partnership for the amount of the distribution which exceeds the amount that could have been distributed without the violation if it is established that in consenting to the distribution the general partner failed to comply with section 321.0408.

(b) A partner or transferee that received a distribution knowing that the distribution to that partner or transferee was made in violation of section 321.0508 is personally liable to the limited partnership but only to the extent that the distribution received by the partner or transferee exceeded the amount that could have been properly paid under section 321.0508.

(c) A general partner against which an action is commenced under subsection (a) may:

(1) implead in the action any other person that is liable under subsection (a) and compel contribution from the person; and

(2) implead in the action any person that received a distribution in violation of subsection (b) and compel contribution from the person in the amount the person received in violation of subsection (b).

(d) An action under this section is barred if it is not commenced within two years after the distribution.

History: *2004 c 199 art 5 s 51*

ARTICLE 6
DISSOCIATION

321.0601 DISSOCIATION AS LIMITED PARTNER.

(a) A person does not have a right to dissociate as a limited partner before the termination of the limited partnership.

(b) A person is dissociated from a limited partnership as a limited partner upon the occurrence of any of the following events:

(1) the limited partnership's having notice of the person's express will to withdraw as a limited partner or on a later date specified by the person;

(2) an event agreed to in the partnership agreement as causing the person's dissociation as a limited partner;

(3) the person's expulsion as a limited partner pursuant to the partnership agreement;

(4) the person's expulsion as a limited partner by the unanimous consent of the other partners if:

(A) it is unlawful to carry on the limited partnership's activities with the person as a limited partner;

(B) there has been a transfer of all of the person's transferable interest in the limited partnership, other than a transfer for security purposes, or a court order charging the person's interest, which has not been foreclosed;

(C) the person is a corporation and, within 90 days after the limited partnership notifies the person that it will be expelled as a limited partner because it has filed a certificate of dissolution or the equivalent, its charter has been revoked, or its right to conduct business has been suspended by the jurisdiction of its incorporation, there is no revocation of the certificate of dissolution or no reinstatement of its charter or its right to conduct business; or

(D) the person is a limited liability company or partnership that has been dissolved and whose business is being wound up;

(5) on application by the limited partnership, the person's expulsion as a limited partner by judicial order because:

(A) the person engaged in wrongful conduct that adversely and materially affected the limited partnership's activities;

(B) the person willfully or persistently committed a material breach of the partnership agreement or of the obligation of good faith and fair dealing under section 321.0305(b); or

(C) the person engaged in conduct relating to the limited partnership's activities which makes it not reasonably practicable to carry on the activities with the person as limited partner;

(6) in the case of a person who is an individual, the person's death;

(7) in the case of a person that is a trust or is acting as a limited partner by virtue of being a trustee of a trust, distribution of the trust's entire transferable interest in the limited partnership, but not merely by reason of the substitution of a successor trustee;

(8) in the case of a person that is an estate or is acting as a limited partner by virtue of being a personal representative of an estate, distribution of the estate's entire transferable interest in the limited partnership, but not merely by reason of the substitution of a successor personal representative;

(9) termination of a limited partner that is not an individual, partnership, limited liability company, corporation, trust, or estate;

(10) the limited partnership's participation in a conversion or merger under article 11, if the limited partnership:

(A) is not the converted or surviving entity; or

(B) is the converted or surviving entity but, as a result of the conversion or merger, the person ceases to be a limited partner.

History: *2004 c 199 art 6 s 52*

321.0602 EFFECT OF DISSOCIATION AS LIMITED PARTNER.

(a) Upon a person's dissociation as a limited partner:

(1) subject to section 321.0704, the person does not have further rights as a limited partner;

(2) the person's obligation of good faith and fair dealing as a limited partner under section 321.0305(b) continues only as to matters arising and events occurring before the dissociation; and

(3) subject to section 321.0704 and article 11, any transferable interest owned by the person in the person's capacity as a limited partner immediately before dissociation is owned by the person as a mere transferee.

(b) A person's dissociation as a limited partner does not of itself discharge the person from any obligation to the limited partnership or the other partners which the person incurred while a limited partner.

History: *2004 c 199 art 6 s 53*

321.0603 DISSOCIATION AS GENERAL PARTNER.

A person is dissociated from a limited partnership as a general partner upon the occurrence of any of the following events:

(1) the limited partnership's having notice of the person's express will to withdraw as a general partner or on a later date specified by the person;

(2) an event agreed to in the partnership agreement as causing the person's dissociation as a general partner;

(3) the person's expulsion as a general partner pursuant to the partnership agreement;

(4) the person's expulsion as a general partner by the unanimous consent of the other partners if:

(A) it is unlawful to carry on the limited partnership's activities with the person as a general partner;

(B) there has been a transfer of all or substantially all of the person's transferable interest in the limited partnership, other than a transfer for security purposes, or a court order charging the person's interest, which has not been foreclosed;

(C) the person is a corporation and, within 90 days after the limited partnership notifies the person that it will be expelled as a general partner because it has filed a certificate of dissolution or the equivalent, its charter has been revoked, or its right to conduct business has been suspended by the jurisdiction of its incorporation, there is no revocation of the certificate of dissolution or no reinstatement of its charter or its right to conduct business; or

(D) the person is a limited liability company or partnership that has been dissolved and whose business is being wound up;

(5) on application by the limited partnership, the person's expulsion as a general partner by judicial determination because:

(A) the person engaged in wrongful conduct that adversely and materially affected the limited partnership activities;

(B) the person willfully or persistently committed a material breach of the partnership agreement or of a duty owed to the partnership or the other partners under section 321.0408; or

(C) the person engaged in conduct relating to the limited partnership's activities which makes it not reasonably practicable to carry on the activities of the limited partnership with the person as a general partner;

(6) the person's:

(A) becoming a debtor in bankruptcy;

(B) execution of an assignment for the benefit of creditors;

(C) seeking, consenting to, or acquiescing in the appointment of a trustee, receiver, or liquidator of the person or of all or substantially all of the person's property; or

(D) failure, within 90 days after the appointment, to have vacated or stayed the appointment of a trustee, receiver, or liquidator of the general partner or of all or substantially all of the person's property obtained without the person's consent or acquiescence, or failing within 90 days after the expiration of a stay to have the appointment vacated;

(7) in the case of a person who is an individual:

(A) the person's death;

(B) the appointment of a guardian or general conservator for the person; or

(C) a judicial determination that the person has otherwise become incapable of performing the person's duties as a general partner under the partnership agreement;

(8) in the case of a person that is a trust or is acting as a general partner by virtue of being a trustee of a trust, distribution of the trust's entire transferable interest in the limited partnership, but not merely by reason of the substitution of a successor trustee;

(9) in the case of a person that is an estate or is acting as a general partner by virtue of being a personal representative of an estate, distribution of the estate's entire transferable interest in the limited partnership, but not merely by reason of the substitution of a successor personal representative;

(10) termination of a general partner that is not an individual, partnership, limited liability company, corporation, trust, or estate; or

(11) the limited partnership's participation in a conversion or merger under article 11, if the limited partnership:

(A) is not the converted or surviving entity; or

(B) is the converted or surviving entity but, as a result of the conversion or merger, the person ceases to be a general partner.

History: *2004 c 199 art 6 s 54*

321.0604 PERSON'S POWER TO DISSOCIATE AS GENERAL PARTNER; WRONGFUL DISSOCIATION.

(a) A person has the power to dissociate as a general partner at any time, rightfully or wrongfully, by express will pursuant to section 321.0603(1).

(b) A person's dissociation as a general partner is wrongful only if:

(1) it is in breach of an express provision of the partnership agreement; or

(2) it occurs before the termination of the limited partnership, and:

(A) the person withdraws as a general partner by express will;

(B) the person is expelled as a general partner by judicial determination under section 321.0603(5);

(C) the person is dissociated as a general partner by becoming a debtor in bankruptcy; or

(D) in the case of a person that is not an individual, trust other than a business trust, or estate, the person is expelled or otherwise dissociated as a general partner because it willfully dissolved or terminated.

(c) A person that wrongfully dissociates as a general partner is liable to the limited partnership and, subject to section 321.1001, to the other partners for damages caused by the dissociation. The liability is in addition to any other obligation of the general partner to the limited partnership or to the other partners.

History: *2004 c 199 art 6 s 55*

321.0605 EFFECT OF DISSOCIATION AS GENERAL PARTNER.

(a) Upon a person's dissociation as a general partner:

(1) the person's right to participate as a general partner in the management and conduct of the partnership's activities terminates;

(2) the person's duty of loyalty as a general partner under section 321.0408(b)(3) terminates;

(3) the person's duty of loyalty as a general partner under section 321.0408(b)(1) and (2) and duty of care under section 321.0408(c) continue only with regard to matters arising and events occurring before the person's dissociation as a general partner;

(4) the person may sign and deliver to the secretary of state for filing a statement of dissociation pertaining to the person and, at the request of the limited partnership, shall sign an amendment to the certificate of limited partnership which states that the person has dissociated; and

(5) subject to section 321.0704 and article 11, any transferable interest owned by the person immediately before dissociation in the person's capacity as a general partner is owned by the person as a mere transferee.

(b) A person's dissociation as a general partner does not of itself discharge the person from any obligation to the limited partnership or the other partners which the person incurred while a general partner.

History: *2004 c 199 art 6 s 56*

321.0606 POWER TO BIND AND LIABILITY TO LIMITED PARTNERSHIP BEFORE DISSOLUTION OF PARTNERSHIP OF PERSON DISSOCIATED AS GENERAL PARTNER.

(a) After a person is dissociated as a general partner and before the limited partnership is dissolved, converted under article 11, or merged out of existence under article 11, the limited partnership is bound by an act of the person if:

(1) the act would have bound the limited partnership under section 321.0402 before the dissociation; and

(2) at the time the other party enters into the transaction:

(A) less than two years has passed since the dissociation; and

(B) the other party does not have notice of the dissociation and reasonably believes that the person is a general partner.

(b) If a limited partnership is bound under subsection (a), the person dissociated as a general partner which caused the limited partnership to be bound is liable:

(1) to the limited partnership for any damage caused to the limited partnership arising from the obligation incurred under subsection (a); and

(2) if a general partner or another person dissociated as a general partner is liable for the obligation, to the general partner or other person for any damage caused to the general partner or other person arising from the liability.

History: *2004 c 199 art 6 s 57*

321.0607 LIABILITY TO OTHER PERSONS OF PERSON DISSOCIATED AS GENERAL PARTNER.

(a) A person's dissociation as a general partner does not of itself discharge the person's liability as a general partner for an obligation of the limited partnership incurred before dissociation. Except as otherwise provided in subsections (b) and (c), the person is not liable for a limited partnership's obligation incurred after dissociation.

(b) A person whose dissociation as a general partner resulted in a dissolution and winding up of the limited partnership's activities is liable to the same extent as a general partner under section 321.0404 on an obligation incurred by the limited partnership under section 321.0804.

(c) A person that has dissociated as a general partner but whose dissociation did not result in a dissolution and winding up of the limited partnership's activities is liable on a transaction entered into by the limited partnership after the dissociation only if:

(1) a general partner would be liable on the transaction; and

(2) at the time the other party enters into the transaction:

(A) less than two years has passed since the dissociation; and

(B) the other party does not have notice of the dissociation and reasonably believes that the person is a general partner.

(d) By agreement with a creditor of a limited partnership and the limited partnership, a person dissociated as a general partner may be released from liability for an obligation of the limited partnership.

(e) A person dissociated as a general partner is released from liability for an obligation of the limited partnership if the limited partnership's creditor, with notice of the person's dissociation as a general partner but without the person's consent, agrees to a material alteration in the nature or time of payment of the obligation.

History: *2004 c 199 art 6 s 58*

ARTICLE 7
TRANSFERABLE INTERESTS AND RIGHTS OF TRANSFEREES AND CREDITORS

321.0701 PARTNER'S TRANSFERABLE INTEREST.

The only interest of a partner which is transferable is the partner's transferable interest. A transferable interest is personal property.

History: *2004 c 199 art 7 s 59*

321.0702 TRANSFER OF PARTNER'S TRANSFERABLE INTEREST.

(a) A transfer, in whole or in part, of a partner's transferable interest:

(1) is permissible;

(2) does not by itself cause the partner's dissociation or a dissolution and winding up of the limited partnership's activities; and

(3) does not, as against the other partners or the limited partnership, entitle the transferee to participate in the management or conduct of the limited partnership's activities, to require access to information concerning the limited partnership's transactions except as otherwise provided in subsection (c), or to inspect or copy the required information or the limited partnership's other records.

(b) A transferee has a right to receive, in accordance with the transfer:

(1) distributions to which the transferor would otherwise be entitled; and

(2) upon the dissolution and winding up of the limited partnership's activities the net amount otherwise distributable to the transferor.

(c) In a dissolution and winding up, a transferee is entitled to an account of the limited partnership's transactions only from the date of dissolution.

(d) Upon transfer, the transferor retains the rights of a partner other than the interest in distributions transferred and retains all duties and obligations of a partner.

(e) A limited partnership need not give effect to a transferee's rights under this section until the limited partnership has notice of the transfer.

(f) A transfer of a partner's transferable interest in the limited partnership in violation of a restriction on transfer contained in the partnership agreement is ineffective as to a person having notice of the restriction at the time of transfer.

(g) A transferee that becomes a partner with respect to a transferable interest is liable for the transferor's obligations under sections 321.0502 and 321.0509. However, the transferee is not obligated for liabilities unknown to the transferee at the time the transferee became a partner.

History: *2004 c 199 art 7 s 60*

321.0703 RIGHTS OF CREDITOR OF PARTNER OR TRANSFEREE.

(a) On application to a court of competent jurisdiction by any judgment creditor of a partner or transferee, the court may charge the transferable interest of the judgment debtor with payment of the unsatisfied amount of the judgment with interest. To the extent so charged, the judgment creditor has only the rights of a transferee. The court may appoint a receiver of the share of the distributions due or to become due to the judgment debtor in respect of the partnership and make all other orders, directions, accounts, and inquiries the judgment debtor might have made or which the circumstances of the case may require to give effect to the charging order.

(b) A charging order constitutes a lien on the judgment debtor's transferable interest. The court may order a foreclosure upon the interest subject to the charging order at any time. The purchaser at the foreclosure sale has the rights of a transferee.

(c) At any time before foreclosure, an interest charged may be redeemed:

(1) by the judgment debtor;

(2) with property other than limited partnership property, by one or more of the other partners; or

(3) with limited partnership property, by the limited partnership with the consent of all partners whose interests are not so charged.

(d) This chapter does not deprive any partner or transferee of the benefit of any exemption laws applicable to the partner's or transferee's transferable interest.

(e) This section provides the exclusive remedy by which a judgment creditor of a partner or transferee may satisfy a judgment out of the judgment debtor's transferable interest.

History: *2004 c 199 art 7 s 61*

321.0704 POWER OF ESTATE OF DECEASED PARTNER.

If a partner dies, the deceased partner's personal representative or other legal representative may exercise the rights of a transferee as provided in section 321.0702 and, for the purposes of settling the estate, may exercise the rights of a current limited partner under section 321.0304.

History: *2004 c 199 art 7 s 62*

ARTICLE 8
DISSOLUTION

321.0801 NONJUDICIAL DISSOLUTION.

Except as otherwise provided in section 321.0802, a limited partnership is dissolved, and its activities must be wound up, only upon the occurrence of any of the following:

(1) the happening of an event specified in the partnership agreement;

(2) the consent of all general partners and of limited partners owning a majority of the rights to receive distributions as limited partners at the time the consent is to be effective;

(3) after the dissociation of a person as a general partner:

(A) if the limited partnership has at least one remaining general partner, the consent to dissolve the limited partnership given within 90 days after the dissociation by partners owning a majority of the rights to receive distributions as partners at the time the consent is to be effective; or

(B) if the limited partnership does not have a remaining general partner, the passage of 90 days after the dissociation, unless before the end of the period:

(i) consent to continue the activities of the limited partnership and admit at least one general partner is given by limited partners owning a majority of the rights to receive distributions as limited partners at the time the consent is to be effective; and

(ii) at least one person is admitted as a general partner in accordance with the consent;

(4) the passage of 90 days after the dissociation of the limited partnership's last limited partner, unless before the end of the period the limited partnership admits at least one limited partner; or

(5) the signing and filing of a declaration of dissolution by the secretary of state under section 321.0809(c).

History: *2004 c 199 art 8 s 63*

321.0802 JUDICIAL DISSOLUTION.

On application by a partner the district court may order dissolution of a limited partnership if it is not reasonably practicable to carry on the activities of the limited partnership in conformity with the partnership agreement.

History: *2004 c 199 art 8 s 64*

321.0803 WINDING UP.

(a) A limited partnership continues after dissolution only for the purpose of winding up its activities.

(b) In winding up its activities, the limited partnership:

(1) may amend its certificate of limited partnership to state that the limited partnership is dissolved, preserve the limited partnership business or property as a going concern for a reasonable time, prosecute and defend actions and proceedings, whether civil, criminal, or administrative, transfer the limited partnership's property, settle disputes by mediation or arbitration, file a statement of termination as provided in section 321.0203, and perform other necessary acts; and

(2) shall discharge the limited partnership's liabilities, settle and close the limited partnership's activities, and marshal and distribute the assets of the partnership.

(c) If a dissolved limited partnership does not have a general partner, a person to wind up the dissolved limited partnership's activities may be appointed by the consent of limited partners owning a majority of the rights to receive distributions as limited partners at the time the consent is to be effective. A person appointed under this subsection:

(1) has the powers of a general partner under section 321.0804; and

(2) shall promptly amend the certificate of limited partnership to state:

(A) that the limited partnership does not have a general partner;

(B) the name of the person that has been appointed to wind up the limited partnership; and

(C) the street and mailing address of the person.

(d) On the application of any partner, the district court may order judicial supervision of the winding up, including the appointment of a person to wind up the dissolved limited partnership's activities, if:

(1) a limited partnership does not have a general partner and within a reasonable time following the dissolution no person has been appointed pursuant to subsection (c); or

(2) the applicant establishes other good cause.

History: *2004 c 199 art 8 s 65*

321.0804 POWER OF GENERAL PARTNER AND PERSON DISSOCIATED AS GENERAL PARTNER TO BIND PARTNERSHIP AFTER DISSOLUTION.

(a) A limited partnership is bound by a general partner's act after dissolution which:

(1) is appropriate for winding up the limited partnership's activities; or

(2) would have bound the limited partnership under section 321.0402 before dissolution, if, at the time the other party enters into the transaction, the other party does not have notice of the dissolution.

(b) A person dissociated as a general partner binds a limited partnership through an act occurring after dissolution if:

(1) at the time the other party enters into the transaction:

(A) less than two years has passed since the dissociation; and

(B) the other party does not have notice of the dissociation and reasonably believes that the person is a general partner; and

(2) the act:

(A) is appropriate for winding up the limited partnership's activities; or

(B) would have bound the limited partnership under section 321.0402 before dissolution and at the time the other party enters into the transaction the other party does not have notice of the dissolution.

History: *2004 c 199 art 8 s 66*

321.0805 LIABILITY AFTER DISSOLUTION OF GENERAL PARTNER AND PERSON DISSOCIATED AS GENERAL PARTNER TO LIMITED PARTNERSHIP, OTHER GENERAL PARTNERS, AND PERSONS DISSOCIATED AS GENERAL PARTNER.

(a) If a general partner having knowledge of the dissolution causes a limited partnership to incur an obligation under section 321.0804(a) by an act that is not appropriate for winding up the partnership's activities, the general partner is liable:

(1) to the limited partnership for any damage caused to the limited partnership arising from the obligation; and

(2) if another general partner or a person dissociated as a general partner is liable for the obligation, to that other general partner or person for any damage caused to that other general partner or person arising from the liability.

(b) If a person dissociated as a general partner causes a limited partnership to incur an obligation under section 321.0804(b), the person is liable:

(1) to the limited partnership for any damage caused to the limited partnership arising from the obligation; and

(2) if a general partner or another person dissociated as a general partner is liable for the obligation, to the general partner or other person for any damage caused to the general partner or other person arising from the liability.

History: *2004 c 199 art 8 s 67*

321.0806 KNOWN CLAIMS AGAINST DISSOLVED LIMITED PARTNERSHIP.

(a) A dissolved limited partnership may dispose of the known claims against it by following the procedure described in subsection (b).

(b) A dissolved limited partnership may notify its known claimants of the dissolution in a record. The notice must:

(1) specify the information required to be included in a claim;

(2) provide a mailing address to which the claim is to be sent;

(3) state the deadline for receipt of the claim, which may not be less than 120 days after the date the notice is received by the claimant;

(4) state that the claim will be barred if not received by the deadline; and

(5) unless the limited partnership has been at each moment during its existence either a limited liability limited partnership or a limited partnership that is a limited liability limited partnership under chapter 322A, state that the barring of a claim against the limited partnership will also bar any corresponding claim against any general partner or person dissociated as a general partner which is based on section 321.0404.

(c) A claim against a dissolved limited partnership is barred if the requirements of subsection (b) are met and:

(1) the claim is not received by the specified deadline; or

(2) in the case of a claim that is timely received but rejected by the dissolved limited partnership, the claimant does not commence an action to enforce the claim against the limited partnership within 90 days after the receipt of the notice of the rejection.

(d) This section does not apply to a claim based on an event occurring after the effective date of dissolution or a liability that is contingent on that date.

History: *2004 c 199 art 8 s 68*

321.0807 OTHER CLAIMS AGAINST DISSOLVED LIMITED PARTNERSHIPS.

(a) A dissolved limited partnership may publish notice of its dissolution and request persons having claims against the limited partnership to present them in accordance with the notice.

(b) The notice must:

(1) be published at least once in a newspaper of general circulation in the county in which the dissolved limited partnership's principal office is located or, if it has none in this state, in the county in which the limited partnership's designated office is or was last located;

(2) describe the information required to be contained in a claim and provide a mailing address to which the claim is to be sent;

(3) state that a claim against the limited partnership is barred unless an action to enforce the claim is commenced within five years after publication of the notice; and

(4) unless the limited partnership has been at each moment during its existence either a limited liability limited partnership or a limited liability limited partnership under chapter 322A, state that the barring of a claim against the limited partnership will also bar any corresponding claim against any general partner or person dissociated as a general partner which is based on section 321.0404.

(c) If a dissolved limited partnership publishes a notice in accordance with subsection (b), the claim of each of the following claimants is barred unless the claimant commences an action to enforce the claim against the dissolved limited partnership within five years after the publication date of the notice:

(1) a claimant that did not receive notice in a record under section 321.0806;

(2) a claimant whose claim was timely sent to the dissolved limited partnership but not acted on; and

(3) a claimant whose claim is contingent or based on an event occurring after the effective date of dissolution.

(d) A claim not barred under this section may be enforced:

(1) against the dissolved limited partnership, to the extent of its undistributed assets;

(2) if the assets have been distributed in liquidation, against a partner or transferee to the extent of that person's proportionate share of the claim or the limited partnership's assets distributed to the partner or transferee in liquidation, whichever is less, but a person's total liability for all claims under this paragraph does not exceed the total amount of assets distributed to the person as part of the winding up of the dissolved limited partnership; or

(3) against any person liable on the claim under section 321.0404.

History: *2004 c 199 art 8 s 69*

321.0808 LIABILITY OF GENERAL PARTNER AND PERSON DISSOCIATED AS GENERAL PARTNER WHEN CLAIM AGAINST LIMITED PARTNERSHIP BARRED.

If a claim against a dissolved limited partnership is barred under section 321.0806 or 321.0807, any corresponding claim under section 321.0404 is also barred.

History: *2004 c 199 art 8 s 70*

321.0809 ADMINISTRATIVE DISSOLUTION.

(a) A limited partnership that has failed to deliver for filing a registration pursuant to the requirements of section 321.0210, or whose agent resigned pursuant to section 321.0116, subdivision 1, and the resignation has been effective for 30 days without a new agent being appointed by the limited partnership, must be dissolved by the secretary of state as described in this section.

(b) The secretary of state must attempt to provide notice of dissolution to each limited partnership whose agent resigned pursuant to section 321.0116, subdivision 1, if the resignation of the agent has been effective for 30 days without a new agent being appointed by the limited partnership. If the limited partnership has not appointed a new agent within 30 days after the secretary of state attempted to provide notice to the limited partnership, or if the limited partnership has not filed the delinquent registration, the secretary of state must issue a certificate of administrative dissolution and the certificate must be filed in the Office of the Secretary of State. The secretary of state must also make available in an electronic format the names of the administratively dissolved limited partnerships.

(c) A limited partnership administratively dissolved continues its existence but may carry on only activities necessary to wind up its activities and liquidate its assets under sections 321.0803 and 321.0812 and to notify claimants under sections 321.0806 and 321.0807.

(d) The administrative dissolution of a limited partnership does not terminate the authority of its agent for service of process, if any.

History: *2004 c 199 art 8 s 71; 2009 c 98 s 17; 2010 c 250 art 2 s 20; 2011 c 106 s 18; 2013 c 110 s 4*

321.0810 REINSTATEMENT FOLLOWING ADMINISTRATIVE DISSOLUTION OR REVOCATION.

(a) A limited partnership that has been administratively dissolved or a foreign limited partnership that has had its certificate of authority revoked may reinstate after the effective date of dissolution.

(1) To reinstate for failure to file the annual renewal, the annual renewal required by section 5.34 must be delivered to the secretary of state for filing with the reinstatement fee of $25.

(2) To reinstate for failure to appoint a registered agent after a prior registered agent has resigned pursuant to section 321.0116, subdivision 1, when the limited partnership has filed all previously required annual renewals, the limited partnership may appoint a new agent meeting the requirements of section 5.36 by filing with the secretary of state an appointment signed by one or more of the general partners at the time of the administrative dissolution.

(3) To reinstate for both a failure to file the annual renewal and appoint a new registered agent following the resignation of the registered agent, the limited partnership must comply with clauses (1) and (2).

(b) If the secretary of state determines that an annual renewal contains the information required by subsection (a) and that the information is correct and is accompanied by the appropriate fee, the secretary of state shall file the renewal and reinstate the limited partnership or foreign limited partnership.

(c) When reinstatement becomes effective, it relates back to and takes effect as of the effective date of the administrative dissolution or revocation and the limited partnership may resume its activities as if the administrative dissolution or revocation had never occurred, except that for the purposes of section 321.0103(c) and (d) the reinstatement is effective only as of the date the reinstatement is filed.

History: *2004 c 199 art 8 s 72; 2009 c 101 art 2 s 82; 2014 c 283 s 2*

321.0812 DISPOSITION OF ASSETS; WHEN CONTRIBUTIONS REQUIRED.

(a) In winding up a limited partnership's activities, the assets of the limited partnership, including the contributions required by this section, must be applied to satisfy the limited partnership's obligations to creditors, including, to the extent permitted by law, partners that are creditors.

(b) Any surplus remaining after the limited partnership complies with subsection (a) must be paid in cash as a distribution.

(c) If a limited partnership's assets are insufficient to satisfy all of its obligations under subsection (a), with respect to each unsatisfied obligation incurred when the limited partnership was neither a limited liability limited partnership nor a limited partnership that is a limited liability limited partnership under chapter 322A, the following rules apply:

(1) Each person that was a general partner when the obligation was incurred and that has not been released from the obligation under section 321.0607 shall contribute to the limited partnership for the purpose of enabling the limited partnership to satisfy the obligation. The contribution due from each of those persons is in proportion to the right to receive distributions in the capacity of general partner in effect for each of those persons when the obligation was incurred.

(2) If a person does not contribute the full amount required under paragraph (1) with respect to an unsatisfied obligation of the limited partnership, the other persons required to contribute by paragraph (1) on account of the obligation shall contribute the additional amount necessary to discharge the obligation. The additional contribution due from each of those other persons is in proportion to the right to receive distributions in the capacity of general partner in effect for each of those other persons when the obligation was incurred.

(3) If a person does not make the additional contribution required by paragraph (2), further additional contributions are determined and due in the same manner as provided in that paragraph.

(d) A person that makes an additional contribution under subsection (c)(2) or (3) may recover from any person whose failure to contribute under subsection (c)(1) or (2) necessitated the additional contribution. A person may not recover under this subsection more than the amount additionally contributed. A person's liability under this subsection may not exceed the amount the person failed to contribute.

(e) The estate of a deceased individual is liable for the person's obligations under this section.

(f) An assignee for the benefit of creditors of a limited partnership or a partner, or a person appointed by a court to represent creditors of a limited partnership or a partner, may enforce a person's obligation to contribute under subsection (c).

History: *2004 c 199 art 8 s 73*

ARTICLE 9
FOREIGN LIMITED PARTNERSHIPS

321.0901 GOVERNING LAW.

(a) The laws of the state or other jurisdiction under which a foreign limited partnership is organized govern relations among the partners of the foreign limited partnership and between the partners and the foreign limited partnership and the liability of partners as partners for an obligation of the foreign limited partnership.

(b) A foreign limited partnership may not be denied a certificate of authority by reason of any difference between the laws of the jurisdiction under which the foreign limited partnership is organized and the laws of this state.

(c) A certificate of authority does not authorize a foreign limited partnership to engage in any business or exercise any power that a limited partnership may not engage in or exercise in this state.

History: *2004 c 199 art 9 s 74*

321.0902 APPLICATION FOR CERTIFICATE OF AUTHORITY.

A foreign limited partnership may apply for a certificate of authority to transact business in this state by delivering an application to the secretary of state for filing. The application must state:

(1) the name of the foreign limited partnership and, if the foreign limited partnership chooses, an alternate name adopted pursuant to section 321.0905(a);

(2) the name of the state or other jurisdiction under whose law the foreign limited partnership is organized;

(3) the street and mailing address of the foreign limited partnership's principal office and, if the laws of the jurisdiction under which the foreign limited partnership is organized require the foreign limited partnership to maintain an office in that jurisdiction, the street and mailing address of the required office;

(4) the name and street and mailing address of the foreign limited partnership's initial agent for service of process in this state;

(5) the name and street and mailing address of each of the foreign limited partnership's general partners;

(6) whether the foreign limited partnership is a foreign limited liability limited partnership; and

(7) that the foreign limited partnership has complied with the organizational laws in the jurisdiction in which it is organized.

History: *2004 c 199 art 9 s 75; 2009 c 98 s 18; 2010 c 250 art 2 s 21*

321.0903 ACTIVITIES NOT CONSTITUTING TRANSACTING BUSINESS.

(a) Activities of a foreign limited partnership which do not constitute transacting business in this state within the meaning of this article include:

(1) maintaining, defending, and settling an action or proceeding;

(2) holding meetings of its partners or carrying on any other activity concerning its internal affairs;

(3) maintaining accounts in financial institutions;

(4) maintaining offices or agencies for the transfer, exchange, and registration of the foreign limited partnership's own securities or maintaining trustees or depositories with respect to those securities;

(5) selling through independent contractors;

(6) soliciting or obtaining orders, whether by mail or electronic means or through employees or agents or otherwise, if the orders require acceptance outside this state before they become contracts;

(7) creating or acquiring indebtedness, mortgages, or security interests in real or personal property;

(8) securing or collecting debts or enforcing mortgages or other security interests in property securing the debts, and holding, protecting, and maintaining property so acquired;

(9) conducting an isolated transaction that is completed within 30 days and is not one in the course of similar transactions of a like manner; and

(10) transacting business in interstate commerce.

(b) For purposes of this article, the ownership in this state of income-producing real property or tangible personal property, other than property excluded under subsection (a), constitutes transacting business in this state.

(c) This section does not apply in determining the contacts or activities that may subject a foreign limited partnership to service of process, taxation, or regulation under any other law of this state.

History: *2004 c 199 art 9 s 76*

321.0904 FILING OF CERTIFICATE OF AUTHORITY.

Unless the secretary of state determines that an application for a certificate of authority does not comply with the filing requirements of this chapter, the secretary of state, upon payment of all filing fees, shall file the application, prepare, sign and file a certificate of authority to transact business in this state, and send a copy of the filed certificate to the foreign limited partnership or its representative.

History: *2004 c 199 art 9 s 77*

321.0905 ALTERNATE NAME; NONCOMPLYING NAME OF FOREIGN LIMITED PARTNERSHIP.

(a) A foreign limited partnership may choose to adopt an alternate name even if its name complies with section 321.0108. A foreign limited partnership whose name does not comply with section 321.0108 may not obtain a certificate of authority until it adopts, for the purpose of transacting business in this state, an alternate name that complies with section 321.0108. A foreign limited partnership that adopts an alternate name under this subsection and then obtains a certificate of authority with the name need not comply with sections 333.01 to 333.06. After obtaining a certificate of authority with an alternate name, a foreign limited partnership shall transact business in this state under the name unless the foreign limited partnership is authorized under sections 333.01 to 333.06 to transact business in this state under another name.

(b) If a foreign limited partnership authorized to transact business in this state changes its name to one that does not comply with section 321.0108, it may not thereafter transact business in this state until it complies with subsection (a) and obtains an amended certificate of authority.

History: *2004 c 199 art 9 s 78; 2010 c 250 art 2 s 22*

321.0906 REVOCATION OF CERTIFICATE OF AUTHORITY.

(a) A foreign limited partnership that has failed to deliver for filing a renewal pursuant to the requirements of section 321.0210, or whose agent resigned pursuant to section 321.0116, subdivision 1, and the resignation has been effective for 30 days without a new agent being appointed by the limited partnership, must have its certificate of authority to transact business in Minnesota revoked as described in this section.

(b) The secretary of state must attempt to provide notice of revocation to each foreign limited partnership, whose agent resigned pursuant to section 321.0116, subdivision 1, if the resignation of the agent has been effective for 30 days without a new agent being appointed by the limited partnership. If the foreign limited partnership has not appointed a new agent within 30 days after the secretary of state attempted to provide notice to the foreign limited partnership, or if the foreign limited partnership has not filed the delinquent registration, the secretary of state must issue a certificate of revocation and the certificate must be filed in the Office of the Secretary of State. The secretary of state must also make available in an electronic format the names of the foreign limited partnerships whose certificates have been revoked.

History: *2004 c 199 art 9 s 79; 2009 c 98 s 19; 2010 c 250 art 2 s 23; 2011 c 106 s 19; 2013 c 110 s 5*

321.0907 CANCELLATION OF CERTIFICATE OF AUTHORITY; EFFECT OF FAILURE TO HAVE CERTIFICATE.

(a) In order to cancel its certificate of authority to transact business in this state, a foreign limited partnership must deliver to the secretary of state for filing a notice of cancellation. The certificate is canceled when the notice becomes effective under section 321.0206.

(b) A foreign limited partnership transacting business in this state may not maintain an action or proceeding in this state unless it has a certificate of authority to transact business in this state.

(c) The failure of a foreign limited partnership to have a certificate of authority to transact business in this state does not impair the validity of a contract or act of the foreign limited partnership or prevent the foreign limited partnership from defending an action or proceeding in this state.

(d) A partner of a foreign limited partnership is not liable for the obligations of the foreign limited partnership solely by reason of the foreign limited partnership's having transacted business in this state without a certificate of authority.

(e) If a foreign limited partnership transacts business in this state without a certificate of authority or cancels its certificate of authority, it appoints the secretary of state as its agent for service of process for rights of action arising out of the transaction of business in this state.

History: *2004 c 199 art 9 s 80*

321.0908 ACTION BY ATTORNEY GENERAL.

The attorney general may maintain an action to restrain a foreign limited partnership from transacting business in this state in violation of this article.

History: *2004 c 199 art 9 s 81*

321.0909 NAME CHANGES FILED IN HOME STATE.

A foreign limited partnership shall notify the secretary of state of any changes to the partnership name filed with the state of formation by certifying to the secretary of state that the foreign limited partnership has changed the name and is listing the new name.

History: *2007 c 148 art 2 s 58; 2009 c 98 s 20*

ARTICLE 10
ACTIONS BY PARTNERS

321.1001 DIRECT ACTION BY PARTNER.

(a) Subject to subsection (b), a partner may maintain a direct action against the limited partnership or another partner for legal or equitable relief, with or without an accounting as to the partnership's activities, to enforce the rights and otherwise protect the interests of the partner, including rights and interests under the partnership agreement of this chapter or arising independently of the partnership relationship.

(b) A partner commencing a direct action under this section is required to plead and prove an actual or threatened injury that is not solely the result of an injury suffered or threatened to be suffered by the limited partnership.

(c) The accrual of, and any time limitation on, a right of action for a remedy under this section is governed by other law. A right to an accounting upon a dissolution and winding up does not revive a claim barred by law.

History: *2004 c 199 art 10 s 82*

321.1002 DERIVATIVE ACTION.

A partner may maintain a derivative action to enforce a right of a limited partnership if:

(1) the partner first makes a demand on the general partners, requesting that they cause the limited partnership to bring an action to enforce the right, and the general partners do not bring the action within a reasonable time; or

(2) a demand would be futile.

History: *2004 c 199 art 10 s 83*

321.1003 PROPER PLAINTIFF.

A derivative action may be maintained only by a person that is a partner at the time the action is commenced and:

(1) that was a partner when the conduct giving rise to the action occurred; or

(2) whose status as a partner devolved upon the person by operation of law or pursuant to the terms of the partnership agreement from a person that was a partner at the time of the conduct.

History: *2004 c 199 art 10 s 84*

321.1004 PLEADING.

In a derivative action, the complaint must state with particularity:

(1) the date and content of plaintiff's demand and the general partners' response to the demand; or

(2) why demand should be excused as futile.

History: *2004 c 199 art 10 s 85*

321.1005 PROCEEDS AND EXPENSES.

(a) Except as otherwise provided in subsection (b):

(1) any proceeds or other benefits of a derivative action, whether by judgment, compromise, or settlement, belong to the limited partnership and not to the derivative plaintiff;

(2) if the derivative plaintiff receives any proceeds, the derivative plaintiff shall immediately remit them to the limited partnership.

(b) If a derivative action is successful in whole or in part, the court may award the plaintiff reasonable expenses, including reasonable attorney's fees, from the recovery of the limited partnership.

History: *2004 c 199 art 10 s 86*

ARTICLE 11
CONVERSION AND MERGER

321.1101 DEFINITIONS.

In this article:

(1) "Constituent limited partnership" means a constituent organization that is a limited partnership.

(2) "Constituent organization" means an organization that is party to a merger.

(3) "Converted organization" means the organization into which a converting organization converts pursuant to sections 321.1102 through 321.1105.

(4) "Converting limited partnership" means a converting organization that is a limited partnership.

(5) "Converting organization" means an organization that converts into another organization pursuant to section 321.1102.

(6) "General partner" means a general partner of a limited partnership.

(7) "Governing statute" of an organization means the statute that governs the organization's internal affairs.

(8) "Organization" means a general partnership, including a limited liability partnership; limited partnership, including a limited liability limited partnership; limited liability company; business trust; corporation; or any other person having a governing statute. The term includes domestic and foreign organizations whether or not organized for profit.

(9) "Organizational documents" means:

(A) for a domestic or foreign general partnership, its partnership agreement;

(B) for a limited partnership or foreign limited partnership, its certificate of limited partnership and partnership agreement;

(C) for a domestic or foreign limited liability company, its articles of organization and operating agreement, or comparable records as provided in its governing statute;

(D) for a business trust, its agreement of trust and declaration of trust;

(E) for a domestic or foreign corporation for profit, its articles of incorporation, bylaws, and other agreements among its shareholders which are authorized by its governing statute, or comparable records as provided in its governing statute; and

(F) for any other organization, the basic records that create the organization and determine its internal governance and the relations among the persons that own it, have an interest in it, or are members of it.

(10) "Personal liability" means personal liability for a debt, liability, or other obligation of an organization which is imposed on a person that co-owns, has an interest in, or is a member of the organization:

(A) by the organization's governing statute solely by reason of the person co-owning, having an interest in, or being a member of the organization; or

(B) by the organization's organizational documents under a provision of the organization's governing statute authorizing those documents to make one or more specified persons liable for all or specified debts, liabilities, and other obligations of the organization solely by reason of the person or persons co-owning, having an interest in, or being a member of the organization.

(11) "Surviving organization" means an organization into which one or more other organizations are merged. A surviving organization may preexist the merger or be created by the merger.

History: *2004 c 199 art 11 s 87*

321.1102 CONVERSION.

Subdivision 1. **Conversion requirements.** Pursuant to this section, sections 321.1103 to 321.1105, and a plan of conversion, an organization other than a limited partnership, a foreign limited partnership, a nonprofit corporation, or an organization owning assets irrevocably dedicated to a charitable purpose may convert to a limited partnership, and a limited partnership may convert to an organization other than a foreign limited partnership, or a corporation governed by chapter 304A, if:

(1) the other organization's governing statute authorizes the conversion;

(2) the conversion is not prohibited by other law of this state or the law of the jurisdiction that enacted the other organization's governing statute; and

(3) the other organization complies with its governing statute in effecting the conversion.

Subd. 2. **Contents of plan of conversion.** A plan of conversion must be in a record and must include:

(1) the name and form of the organization and the jurisdiction of the organization's governing statute before conversion;

(2) the name and form of the organization and the jurisdiction of the organization's governing statute after conversion;

(3) the terms and conditions of the conversion, including the manner and basis for converting interests in the converting organization into any combination of money, interests in the converted organization, and other consideration; and

(4) the organizational documents of the converted organization that are, or are proposed to be, in a record.

History: *2004 c 199 art 11 s 88; 2018 c 103 s 19*

321.1103 ACTION ON PLAN OF CONVERSION BY CONVERTING LIMITED PARTNERSHIP.

Subdivision 1. **Consent required.** Subject to section 321.1110, a plan of conversion must be consented to by all the partners of a converting limited partnership.

Subd. 2. **Amendment of plan or abandonment of conversion.** Subject to section 321.1110 and any contractual rights, after a conversion is approved, and at any time before articles of conversion are delivered to the secretary of state for filing under section 321.1104, a converting limited partnership may amend the plan or abandon the conversion:

(1) as provided in the plan; or

(2) except as otherwise prohibited in the plan, by the same consent as was required to approve the plan.

History: *2004 c 199 art 11 s 89; 2018 c 103 s 20*

321.1104 FILINGS REQUIRED FOR CONVERSION; EFFECTIVE DATE.

Subdivision 1. **Articles of conversion.** After a plan of conversion is approved:

(1) if the converting organization is a converting limited partnership, the converting limited partnership shall file articles of conversion with the secretary of state, which articles of conversion must be signed as provided in section 321.0204, and must include:

(i) a statement that the limited partnership is converting into another organization;

(ii) the name and form of the converted organization and the jurisdiction of its governing statute;

(iii) the time the conversion is effective under the governing statute of the converted organization;

(iv) a statement that the conversion was approved as required by this chapter;

(v) a statement that the conversion was approved as required by the governing statute of the converted organization; and

(vi) if the converted organization is a foreign organization not authorized to transact business in this state, the street address of an office that the secretary of state may use for the purposes of section 321.1105, subdivision 3; and

(2) if the converting organization is not a converting partnership, the converting organization shall file articles of conversion with the secretary of state, which articles of conversion must be signed as provided in section 321.0204, and must include:

(i) the certificate of limited partnership for the limited partnership into which the converting organization is converting, which certificate of limited partnership must include the information required by section 321.0201;

(ii) a statement that the converting organization is converting into a limited partnership from another organization;

(iii) the name and form of the converting organization and the jurisdiction of its governing statute; and

(iv) a statement that the conversion was approved in a manner that complied with the converting organization's governing statute.

Subd. 2. **Effective date and time of conversion.** A conversion becomes effective:

(1) if the converted organization is a limited partnership, when the articles of conversion are filed with the secretary of state or on a later date or later time specified in the articles of conversion; and

(2) if the converted organization is not a limited partnership, as provided by the governing statute of the converted organization.

Subd. 3. **Certificate.** The secretary of state shall issue to the converted organization or its legal representative a certificate of conversion.

History: *2004 c 199 art 11 s 90; 2018 c 103 s 21*

321.1105 EFFECT OF CONVERSION.

Subdivision 1. **Same entity.** An organization that has been converted pursuant to sections 321.1102 to 321.1105 is for all purposes the same entity that existed before the conversion.

Subd. 2. **Effect on converting organization.** When a conversion takes effect:

(1) all property owned by the converting organization remains vested in the converted organization;

(2) all debts, obligations, or other liabilities of the converting organization continue as debts, obligations, or other liabilities of the converted organization;

(3) an action or proceeding pending by or against the converting organization may be continued as if the conversion had not occurred;

(4) except as prohibited by law other than this chapter, all of the rights, privileges, immunities, powers, and purposes of the converting organization remain vested in the converted organization;

(5) except as otherwise provided in the plan of conversion, the terms and conditions of the plan of conversion take effect; and

(6) except as otherwise agreed, the conversion does not dissolve a converting limited partnership for the purposes of sections 321.0801 to 321.0812.

Subd. 3. **Foreign organization.** A converted organization that is a foreign organization consents to the jurisdiction of the courts of this state to enforce any debt, obligation, or other liability for which the converting limited partnership is liable if, before the conversion, the converting limited partnership was subject to suit in this state on the debt, obligation, or other liability. A converted organization that is a foreign organization and not authorized to transact business in this state appoints the secretary of state as its agent for service of process for purposes of enforcing a debt, obligation, or other liability under this subdivision. Service on the secretary of state under this subdivision must be made in the same manner and has the same consequences as in section 321.0117.

History: *2004 c 199 art 11 s 91; 2018 c 103 s 22*

321.1106 MERGER.

(a) A limited partnership may merge with one or more other constituent organizations pursuant to this section and sections 321.1107 through 321.1109 and a plan of merger, if:

(1) the governing statute of each of the other organizations authorizes the merger;

(2) the merger is not prohibited by the law of a jurisdiction that enacted any of those governing statutes; and

(3) each of the other organizations complies with its governing statute in effecting the merger.

(b) A plan of merger must be in a record and must include:

(1) the name and form of each constituent organization;

(2) the name and form of the surviving organization and, if the surviving organization is to be created by the merger, a statement to that effect;

(3) the terms and conditions of the merger, including the manner and basis for converting the interests in each constituent organization into any combination of money, interests in the surviving organization, and other consideration;

(4) if the surviving organization is to be created by the merger, the surviving organization's organizational documents; and

(5) if the surviving organization is not to be created by the merger, any amendments to be made by the merger to the surviving organization's organizational documents.

History: *2004 c 199 art 11 s 92*

321.1107 ACTION ON PLAN OF MERGER BY CONSTITUENT LIMITED PARTNERSHIP.

(a) Subject to section 321.1110, a plan of merger must be consented to by all the partners of a constituent limited partnership.

(b) Subject to section 321.1110 and any contractual rights, after a merger is approved, and at any time before a filing is made under section 321.1108, a constituent limited partnership may amend the plan or abandon the planned merger:

(1) as provided in the plan; and

(2) except as prohibited by the plan, with the same consent as was required to approve the plan.

History: *2004 c 199 art 11 s 93*

321.1108 FILINGS REQUIRED FOR MERGER; EFFECTIVE DATE.

(a) After each constituent organization has approved a merger, articles of merger must be signed on behalf of:

(1) each preexisting constituent limited partnership, by each general partner listed in the certificate of limited partnership; and

(2) each other preexisting constituent organization, by an authorized representative.

(b) The articles of merger must include:

(1) the name and form of each constituent organization and the jurisdiction of its governing statute;

(2) the name and form of the surviving organization, the jurisdiction of its governing statute, and, if the surviving organization is created by the merger, a statement to that effect;

(3) the date the merger is effective under the governing statute of the surviving organization;

(4) if the surviving organization is to be created by the merger:

(A) if it will be a limited partnership, the limited partnership's certificate of limited partnership; or

(B) if it will be an organization other than a limited partnership, the organizational document that creates the organization;

(5) if the surviving organization preexists the merger, any amendments provided for in the plan of merger for the organizational document that created the organization;

(6) a statement as to each constituent organization that the merger was approved as required by the organization's governing statute;

(7) if the surviving organization is a foreign organization not authorized to transact business in this state, the street and mailing address of an office which the secretary of state may use for the purposes of section 321.1109(b); and

(8) any additional information required by the governing statute of any constituent organization.

(c) Each constituent limited partnership shall deliver the articles of merger for filing in the Office of the Secretary of State.

(d) A merger becomes effective under this article:

(1) if the surviving organization is a limited partnership, upon the later of:

(i) compliance with subsection (c); or

(ii) subject to section 321.0206(c), as specified in the articles of merger; or

(2) if the surviving organization is not a limited partnership, as provided by the governing statute of the surviving organization.

History: *2004 c 199 art 11 s 94*

321.1109 EFFECT OF MERGER.

(a) When a merger becomes effective:

(1) the surviving organization continues or comes into existence;

(2) each constituent organization that merges into the surviving organization ceases to exist as a separate entity;

(3) all property owned by each constituent organization that ceases to exist vest in the surviving organization;

(4) all debts, liabilities, and other obligations of each constituent organization that ceases to exist continue as obligations of the surviving organization;

(5) an action or proceeding pending by or against any constituent organization that ceases to exist may be continued as if the merger had not occurred;

(6) except as prohibited by other law, all of the rights, privileges, immunities, powers, and purposes of each constituent organization that ceases to exist vest in the surviving organization;

(7) except as otherwise provided in the plan of merger, the terms and conditions of the plan of merger take effect;

(8) except as otherwise agreed, if a constituent limited partnership ceases to exist, the merger does not dissolve the limited partnership for the purposes of article 8;

(9) if the surviving organization is created by the merger:

(A) if it is a limited partnership, the certificate of limited partnership becomes effective; or

(B) if it is an organization other than a limited partnership, the organizational document that creates the organization becomes effective; and

(10) if the surviving organization preexists the merger, any amendments provided for in the articles of merger for the organizational document that created the organization become effective.

(b) A surviving organization that is a foreign organization consents to the jurisdiction of the courts of this state to enforce any obligation owed by a constituent organization, if before the merger the constituent organization was subject to suit in this state on the obligation. A surviving organization that is a foreign organization and not authorized to transact business in this state appoints the secretary of state as its agent for service of process for the purposes of enforcing an obligation under this subsection. Service on the secretary of state under this subsection is made in the same manner and with the same consequences as in section 321.0117(c) and (d).

History: *2004 c 199 art 11 s 95; 2026 c 88 art 1 s 183*

321.1110 RESTRICTIONS ON APPROVAL OF CONVERSIONS AND MERGERS AND ON RELINQUISHING LLLP STATUS.

(a) If a partner of a converting or constituent limited partnership will have personal liability with respect to a converted or surviving organization, approval and amendment of a plan of conversion or merger are ineffective without the consent of the partner, unless:

(1) the limited partnership's partnership agreement provides for the approval of the conversion or merger with the consent of fewer than all the partners; and

(2) the partner has consented to the provision of the partnership agreement.

(b) An amendment to a certificate of limited partnership which deletes a statement that the limited partnership is a limited liability limited partnership is ineffective without the consent of each general partner unless:

(1) the limited partnership's partnership agreement provides for the amendment with the consent of less than all the general partners; and

(2) each general partner that does not consent to the amendment has consented to the provision of the partnership agreement.

(c) A partner does not give the consent required by subsection (a) or (b) merely by consenting to a provision of the partnership agreement which permits the partnership agreement to be amended with the consent of fewer than all the partners.

History: *2004 c 199 art 11 s 96*

321.1111 LIABILITY OF GENERAL PARTNER AFTER CONVERSION OR MERGER.

(a) A conversion or merger under this article does not discharge any liability under sections 321.0404 and 321.0607 of a person that was a general partner in or dissociated as a general partner from a converting or constituent limited partnership, but:

(1) the provisions of this chapter pertaining to the collection or discharge of the liability continue to apply to the liability;

(2) for the purposes of applying those provisions, the converted or surviving organization is deemed to be the converting or constituent limited partnership; and

(3) if a person is required to pay any amount under this subsection:

(A) the person has a right of contribution from each other person that was liable as a general partner under section 321.0404 when the obligation was incurred and has not been released from the obligation under section 321.0607; and

(B) the contribution due from each of those persons is in proportion to the right to receive distributions in the capacity of general partner in effect for each of those persons when the obligation was incurred.

(b) In addition to any other liability provided by law:

(1) a person that immediately before a conversion or merger became effective was a general partner in a converting or constituent limited partnership that was not a limited liability limited partnership is personally liable for each obligation of the converted or surviving organization arising from a transaction with a third party after the conversion or merger becomes effective, if, at the time the third party enters into the transaction, the third party:

(A) does not have notice of the conversion or merger; and

(B) reasonably believes that:

(i) the converted or surviving business is the converting or constituent limited partnership;

(ii) the converting or constituent limited partnership is not a limited liability limited partnership; and

(iii) the person is a general partner in the converting or constituent limited partnership; and

(2) a person that was dissociated as a general partner from a converting or constituent limited partnership before the conversion or merger became effective is personally liable for each obligation of the converted or surviving organization arising from a transaction with a third party after the conversion or merger becomes effective, if:

(A) immediately before the conversion or merger became effective the converting or surviving limited partnership was not a limited liability limited partnership; and

(B) at the time the third party enters into the transaction less than two years have passed since the person dissociated as a general partner and the third party:

(i) does not have notice of the dissociation;

(ii) does not have notice of the conversion or merger; and

(iii) reasonably believes that the converted or surviving organization is the converting or constituent limited partnership, the converting or constituent limited partnership is not a limited liability limited partnership, and the person is a general partner in the converting or constituent limited partnership.

History: *2004 c 199 art 11 s 97*

321.1112 POWER OF GENERAL PARTNERS AND PERSONS DISSOCIATED AS GENERAL PARTNERS TO BIND ORGANIZATION AFTER CONVERSION OR MERGER.

(a) An act of a person that immediately before a conversion or merger became effective was a general partner in a converting or constituent limited partnership binds the converted or surviving organization after the conversion or merger becomes effective, if:

(1) before the conversion or merger became effective, the act would have bound the converting or constituent limited partnership under section 321.0402; and

(2) at the time the third party enters into the transaction, the third party:

(A) does not have notice of the conversion or merger; and

(B) reasonably believes that the converted or surviving business is the converting or constituent limited partnership and that the person is a general partner in the converting or constituent limited partnership.

(b) An act of a person that before a conversion or merger became effective was dissociated as a general partner from a converting or constituent limited partnership binds the converted or surviving organization after the conversion or merger becomes effective, if:

(1) before the conversion or merger became effective, the act would have bound the converting or constituent limited partnership under section 321.0402 if the person had been a general partner; and

(2) at the time the third party enters into the transaction, less than two years have passed since the person dissociated as a general partner and the third party:

(A) does not have notice of the dissociation;

(B) does not have notice of the conversion or merger; and

(C) reasonably believes that the converted or surviving organization is the converting or constituent limited partnership and that the person is a general partner in the converting or constituent limited partnership.

(c) If a person having knowledge of the conversion or merger causes a converted or surviving organization to incur an obligation under subsection (a) or (b), the person is liable:

(1) to the converted or surviving organization for any damage caused to the organization arising from the obligation; and

(2) if another person is liable for the obligation, to that other person for any damage caused to that other person arising from the liability.

History: *2004 c 199 art 11 s 98*

321.1113 CHAPTER NOT EXCLUSIVE.

This chapter does not preclude an entity from being converted or merged under other law.

History: *2004 c 199 art 11 s 99*

321.1114 CONFLICT RELATING TO MERGER OR CONVERSION.

If a partnership governed by chapter 323A participates in a merger or conversion under chapter 321, then in the event of any conflict between the provisions of chapter 323A and chapter 321 relating to the merger or conversion, the provisions of chapter 321 control.

History: *2004 c 199 art 11 s 100; 2005 c 10 art 1 s 66*

321.1115 DOMESTICATION.

Subdivision 1. **Foreign limited partnership.** A foreign limited partnership may become a partnership pursuant to this section, sections 321.1116 to 321.1118, and a plan of domestication if:

(1) the foreign limited partnership's governing statute authorizes the domestication, whether described by the laws of the foreign jurisdiction as a domestication, a conversion, or otherwise;

(2) the domestication is not prohibited by the law of the jurisdiction that enacted the governing statute; and

(3) the foreign limited partnership complies with its governing statute in effecting the domestication.

Subd. 2. **Domestic limited partnership.** A limited partnership may become a foreign limited partnership pursuant to this section, sections 321.1116 to 321.1118, and a plan of domestication if:

(1) the foreign limited partnership's governing statute authorizes the domestication, whether described by the laws of the foreign jurisdiction as a domestication, a conversion, or otherwise;

(2) the domestication is not prohibited by the law of the jurisdiction that enacted the governing statute; and

(3) the foreign limited partnership complies with its governing statute in effecting the domestication.

Subd. 3. **Plan of domestication.** A plan of domestication must be in a record and must include:

(1) the name of the domesticating company before domestication and the jurisdiction of its governing statute;

(2) the name of the domesticated company after domestication and the jurisdiction of its governing statute;

(3) the terms and conditions of the domestication, including the manner and basis for converting interests in the domesticating organization into any combination of money, interests in the domesticated organization, and other considerations; and

(4) the organizational documents of the domesticated organization that are, or are proposed to be, in a record.

History: *2018 c 103 s 23*

321.1116 ACTION ON PLAN OF DOMESTICATION BY DOMESTICATING LIMITED PARTNERSHIP.

Subdivision 1. **Consent required.** A plan of domestication must be consented to:

(1) by all the partners, subject to section 321.1119 if the domesticating organization is a limited partnership; and

(2) as provided in the domesticating organization's governing statute, if the organization is a foreign limited partnership.

Subd. 2. **Amendment of plan or abandonment of domestication.** Subject to any contractual rights, after a domestication is approved, and at any time before articles of domestication are filed with the secretary of state under section 321.1117, a domesticating limited partnership may amend the plan or abandon the domestication:

(1) as provided in the plan; or

(2) except as otherwise prohibited in the plan, by the same consent as was required to approve the plan.

History: *2018 c 103 s 24; 2019 c 50 art 1 s 103*

321.1117 FILINGS REQUIRED FOR DOMESTICATION; EFFECTIVE DATE.

Subdivision 1. **Articles of domestication.** After a plan of domestication is approved, a domesticating organization shall file with the secretary of state articles of domestication, which articles of domestication must include:

(1) a statement, as the case may be, that the organization has been domesticated from or into another jurisdiction;

(2) the name of the domesticating organization and the jurisdiction of its governing statute;

(3) the name of the domesticated organization and the jurisdiction of its governing statute;

(4) the date the domestication is effective under the governing statute of the domesticated organization;

(5) if the domesticating organization was a limited partnership, a statement that the domestication was approved as required by this chapter;

(6) if the domesticating organization was a foreign limited partnership, a statement that the domestication was approved as required by the governing statute of the other jurisdiction; and

(7) if the domesticated organization was a foreign limited partnership not authorized to transact business in this state, the street address of an office that the secretary of state may use for the purposes of section 321.1118, subdivision 2.

Subd. 2. **Effective date of domestication.** A domestication becomes effective:

(1) when the certificate of limited partnership takes effect, if the domesticated company is a limited partnership; and

(2) according to the governing statute of the domesticated company, if the domesticated organization is a foreign limited partnership.

History: *2018 c 103 s 25*

321.1118 EFFECT OF DOMESTICATION.

Subdivision 1. **Effect on domesticating company.** When a domestication takes effect:

(1) the domesticated limited partnership is for all purposes the limited partnership that existed before the domestication;

(2) all property owned by the domesticating organization remains vested in the domesticated organization;

(3) all debts, obligations, or other liabilities of the domesticating organization continue as debts, obligations, or other liabilities of the domesticated organization;

(4) an action or proceeding pending by or against a domesticating organization may be continued as if the domestication had not occurred;

(5) except as prohibited by other law, all of the rights, privileges, immunities, powers, and purposes of the domesticating organization remain vested in the domesticated organization;

(6) except as otherwise provided in the plan of domestication, the terms and conditions of the plan of domestication take effect; and

(7) except as otherwise agreed, the domestication does not dissolve a domesticating limited partnership for the purposes of sections 321.0801 to 321.0812.

Subd. 2. **Foreign organization.** A domesticated organization that is a foreign limited partnership consents to the jurisdiction of the courts of this state to enforce any debt, obligation, or other liability owed by the domesticating organization if, before the domestication, the domesticating organization was subject to suit in this state on the debt, obligation, or other liability. A domesticated organization that is a foreign limited partnership and not authorized to transact business in this state appoints the secretary of state as its agent for service of process for purposes of enforcing a debt, obligation, or other liability under this subdivision. Service on the secretary of state under this subdivision must be made in the same manner and has the same consequences as in section 321.0117.

Subd. 3. **Foreign jurisdiction.** If a limited partnership has adopted and approved a plan of domestication under section 321.1115 providing for the organization to be domesticated in a foreign jurisdiction, a statement surrendering the limited partnership's certificate of limited partnership must be filed with the secretary of state setting forth:

(1) the name of the limited partnership;

(2) a statement that the certificate of limited partnership is being surrendered in connection with the domestication of the limited partnership in a foreign jurisdiction;

(3) a statement that the domestication was approved as required by this chapter; and

(4) the jurisdiction of formation of the domesticated foreign limited partnership.

History: *2018 c 103 s 26*

321.1119 RESTRICTIONS ON APPROVAL OF MERGERS, EXCHANGES, CONVERSIONS, AND DOMESTICATIONS.

Subdivision 1. **Personal liability of partner.** If a partner of a constituent, converting, or domesticating limited partnership will have personal liability with respect to a surviving, constituent, converted, or domesticated organization, approval or amendment of a plan of merger, exchange, conversion, or domestication is ineffective without the consent of the partner, unless:

(1) the organization's certificate of limited partnership or partnership agreement provides for approval of a merger, exchange, conversion, or domestication with the consent of fewer than all the partners; and

(2) the partner has consented to the provision of the certificate of limited partnership or the partnership agreement.

Subd. 2. **Consent.** A partner does not give the consent required by subdivision 1 merely by consenting to a provision of the partnership agreement that permits the partnership agreement to be amended with the consent of fewer than all the partners.

History: *2018 c 103 s 27*

ARTICLE 12
MISCELLANEOUS PROVISIONS

321.1201 UNIFORMITY OF APPLICATION AND CONSTRUCTION.

In applying and construing this chapter, consideration must be given to the need to promote uniformity of the law with respect to its subject matter among states that enact it.

History: *2004 c 199 art 12 s 101*

321.1202 SEVERABILITY CLAUSE.

If any provision of this chapter or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this chapter which can be given effect without the invalid provision or application, and to this end the provisions of this chapter are severable.

History: *2004 c 199 art 12 s 102*

321.1203 RELATION TO ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT.

This chapter modifies, limits, or supersedes the federal Electronic Signatures in Global and National Commerce Act, 15 U.S.C. Section 7001 et seq., but this chapter does not modify, limit, or supersede Section 101(c) of that Act or authorize electronic delivery of any of the notices described in Section 103(b) of that Act.

History: *2004 c 199 art 12 s 103*

321.1206 APPLICATION TO EXISTING RELATIONSHIPS.

(a) Beginning January 1, 2005, no person may use chapter 322A to form an entity.

(b) Before January 1, 2007, this chapter governs only:

(1) a limited partnership formed on or after January 1, 2005; and

(2) except as otherwise provided in subsection (d):

(i) a limited partnership formed under chapter 322A which elects, in the manner provided in its partnership agreement or by law for amending the partnership agreement, to be subject to this chapter; and

(ii) a limited partnership formed under chapter 322, if the limited partnership elects pursuant to subsection (f) to be subject to this chapter.

(c) Except as otherwise provided in subsection (d), on and after January 1, 2007, this chapter governs:

(1) any limited partnership formed under chapter 322A which has not previously elected to be governed by this chapter and is still in existence on January 1, 2007; and

(2) all limited partnerships, except for limited partnerships formed under chapter 322 that have not previously elected to become governed by this chapter or chapter 322A, including each limited partnership formed under chapter 322A which has previously elected to become governed by this chapter and each limited partnership formed under chapter 322 which has elected, previously or otherwise, to be governed by this chapter.

(d) With respect to a limited partnership formed before January 1, 2005, the following rules apply except as the partners otherwise elect in the manner provided in the partnership agreement or by law for amending the partnership agreement:

(1) section 321.0104(c) does not apply and the limited partnership has whatever duration it had under the law applicable immediately before the limited partnership became subject to this chapter, as reflected solely in the certificate of limited partnership and amendments to it, notwithstanding other notations in the record of the secretary of state;

(2) the limited partnership is not required to amend its certificate of limited partnership to comply with section 321.0201(a)(4);

(3) sections 321.0601 and 321.0602 do not apply and a limited partner has the same right and power to dissociate from the limited partnership, with the same consequences, as existed immediately before the limited partnership became subject to this chapter;

(4) section 321.0603(4) does not apply;

(5) section 321.0603(5) does not apply and a court has the same power to expel a general partner as the court had immediately before the limited partnership became subject to this chapter; and

(6) section 321.0801(3) does not apply and the connection between a person's dissociation as a general partner and the dissolution of the limited partnership is the same as existed immediately before the limited partnership became subject to this chapter.

(e) If subsection (c) causes a limited partnership that is a limited liability limited partnership under section 322A.88 to become subject to this chapter:

(1) if immediately before the limited partnership that is a limited liability limited partnership under section 322A.88 became subject to this chapter its name complied with section 322A.02, the limited partnership may maintain its name even if the name does not comply with section 321.0108(c); and

(2) the statement of qualification of the limited partnership that is a limited liability limited partnership under section 322A.88, on file with the secretary of state pursuant to section 322A.88(a)(2), is deemed to amend the limited partnership's certificate of limited partnership to state that the limited partnership is a limited liability limited partnership.

(f) On or after January 1, 2005, a limited partnership formed under chapter 322 may become subject to this chapter if:

(1) it elects, in the manner provided in its partnership agreement or by law for amending the partnership agreement, to be subject to this chapter;

(2) neither its certificate of limited partnership nor its partnership agreement prohibit the election;

(3) its certificate of limited partnership, on file with the county recorder, is amended to state the election and, as may be necessary, to comply with this chapter; and

(4) a certified copy of the amended certificate of limited partnership, and of all other limited partnership documents previously filed with the county recorder, is filed with the secretary of state.

History: *2004 c 199 art 12 s 104; 2008 c 233 art 2 s 1; 2013 c 110 s 6*

321.1207 SAVINGS CLAUSE.

This chapter does not affect an action commenced, proceeding brought, or right accrued before this chapter takes effect.

History: *2004 c 199 art 12 s 105*

321.1208 EFFECT OF DESIGNATION.

Except as otherwise provided in this chapter, a limited partnership remains the same entity for purposes of holding title to or conveying an interest in real or personal property and for all other purposes:

(1) during the winding up of the limited partnership following its dissolution;

(2) whether the certificate of limited partnership of a limited partnership is amended to add or delete a statement that the limited partnership is a limited liability limited partnership pursuant to section 321.0406(b)(2); and

(3) regardless of whether the words "limited partnership," "limited liability limited partnership," or the designation "LP," "L.P.," "LLLP," or "L.L.L.P." are used in an instrument conveying an interest in real or personal property to or from the limited partnership or in any other writing.

History: *2004 c 199 art 12 s 106*