



**93RD GENERAL ASSEMBLY**  
**State of Illinois**  
**2003 and 2004**

Introduced 2/6/2004, by Don Harmon

**SYNOPSIS AS INTRODUCED:**

New Act  
805 ILCS 210/Act rep.  
720 ILCS 5/17-12  
805 ILCS 180/37-5  
805 ILCS 206/901  
805 ILCS 206/902  
720 ILCS 5/17-12

Creates the Uniform Limited Partnership Act (2001). Provides procedures for the formation, operation, and regulation of limited partnerships. Repeals the Revised Uniform Limited Partnership Act. Amends other Acts to make conforming changes.

LRB093 17687 WGH 43363 b

1 AN ACT concerning limited partnerships.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 ARTICLE 1  
5 GENERAL PROVISIONS

6 Section 0.01. Short title. This Act may be cited as the  
7 Uniform Limited Partnership Act (2001).

8 Section 101. Short title. (See Section 0.01 for short  
9 title.)

10 Section 102. Definitions. In this Act:

11 (1) "Certificate of limited partnership" means the  
12 certificate required by Section 201. The term includes the  
13 certificate as amended or restated.

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

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

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

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

25 (4) "Designated office" means:

26 (A) with respect to a limited partnership, the  
27 office that the limited partnership is required to  
28 designate and maintain under Section 114; and

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

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

5 (6) "Foreign limited liability limited partnership"  
6 means a foreign limited partnership whose general partners  
7 have limited liability for the obligations of the foreign  
8 limited partnership under a provision similar to Section  
9 404(c).

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

15 (8) "General partner" means:

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

18 (i) becomes a general partner under Section  
19 401; or

20 (ii) was a general partner in a limited  
21 partnership when the limited partnership became  
22 subject to this Act under Section 1206(a) or (b);  
23 and

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

28 (9) "Limited liability limited partnership", except in  
29 the phrase "foreign limited liability limited  
30 partnership", means a limited partnership whose  
31 certificate of limited partnership states that the limited  
32 partnership is a limited liability limited partnership.

33 (10) "Limited partner" means:

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

36 (i) becomes a limited partner under Section

1           301; or

2           (ii) was a limited partner in a limited  
3           partnership when the limited partnership became  
4           subject to this Act under Section 1206(a) or (b);  
5           and

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

10          (11) "Limited partnership", except in the phrases  
11          "foreign limited partnership" and "foreign limited  
12          liability limited partnership", means an entity, having  
13          one or more general partners and one or more limited  
14          partners, which is formed under this Act by two or more  
15          persons or becomes subject to this Act under Article 11 or  
16          Section 1206(a) or (b). The term includes a limited  
17          liability limited partnership.

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

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

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

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

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

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

4           (18) "Required information" means the information that  
5           a limited partnership is required to maintain under Section  
6           111.

7           (19) "Sign" means:

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

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

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

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

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

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

25           Section 103. Knowledge and notice.

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

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

29                   (1) knows of it;

30                   (2) has received a notification of it;

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

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

34           (c) A certificate of limited partnership on file in the  
35           Office of the Secretary of State is notice that the partnership

1 is a limited partnership and the persons designated in the  
2 certificate as general partners are general partners. Except as  
3 otherwise provided in subsection (d), the certificate is not  
4 notice of any other fact.

5 (d) A person has notice of:

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

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

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

18 (4) a limited partnership's conversion under Article  
19 11, 90 days after the effective date of the articles of  
20 conversion; or

21 (5) a merger under Article 11, 90 days after the  
22 effective date of the articles of merger.

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

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

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

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

32 (g) Except as otherwise provided in subsection (h), a  
33 person other than an individual knows, has notice, or receives  
34 a notification of a fact for purposes of a particular  
35 transaction when the individual conducting the transaction for  
36 the person knows, has notice, or receives a notification of the

1 fact, or in any event when the fact would have been brought to  
2 the individual's attention if the person had exercised  
3 reasonable diligence. A person other than an individual  
4 exercises reasonable diligence if it maintains reasonable  
5 routines for communicating significant information to the  
6 individual conducting the transaction for the person and there  
7 is reasonable compliance with the routines. Reasonable  
8 diligence does not require an individual acting for the person  
9 to communicate information unless the communication is part of  
10 the individual's regular duties or the individual has reason to  
11 know of the transaction and that the transaction would be  
12 materially affected by the information.

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

22 Section 104. Nature, purpose, and duration of entity.

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

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

29 (c) A limited partnership has a perpetual duration.

30 Section 105. Powers. A limited partnership has the powers  
31 to do all things necessary or convenient to carry on its  
32 activities, including the power to sue, be sued, and defend in  
33 its own name and to maintain an action against a partner for  
34 harm caused to the limited partnership by a breach of the

1 partnership agreement or violation of a duty to the  
2 partnership.

3 Section 106. Governing law. The law of this State governs  
4 relations among the partners of a limited partnership and  
5 between the partners and the limited partnership and the  
6 liability of partners as partners for an obligation of the  
7 limited partnership.

8 Section 107. Supplemental principles of law; rate of  
9 interest.

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

12 (b) If an obligation to pay interest arises under this Act  
13 and the rate is not specified, the rate is that specified in  
14 the Uniform Penalty and Interest Act.

15 Section 108. Name.

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

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

23 (c) The name of a limited liability limited partnership  
24 must contain the phrase "limited liability limited  
25 partnership" or the abbreviation "LLLP" or "L.L.L.P." and must  
26 not contain the abbreviation "L.P." or "LP".

27 (d) Unless authorized by subsection (e), the name of a  
28 limited partnership must be distinguishable in the records of  
29 the Secretary of State from:

30 (1) the name of each person other than an individual  
31 incorporated, organized, or authorized to transact  
32 business in this State; and

33 (2) each name reserved under Section 109 or the Assumed



1 Business Name Act.

2 (e) A limited partnership may apply to the Secretary of  
3 State for authorization to use a name that does not comply with  
4 subsection (d). The Secretary of State shall authorize use of  
5 the name applied for if, as to each conflicting name:

6 (1) the present user, registrant, or owner of the  
7 conflicting name consents in a signed record to the use and  
8 submits an undertaking in a form satisfactory to the  
9 Secretary of State to change the conflicting name to a name  
10 that complies with subsection (d) and is distinguishable in  
11 the records of the Secretary of State from the name applied  
12 for;

13 (2) the applicant delivers to the Secretary of State a  
14 certified copy of the final judgment of a court of  
15 competent jurisdiction establishing the applicant's right  
16 to use in this State the name applied for; or

17 (3) the applicant delivers to the Secretary of State  
18 proof satisfactory to the Secretary of State that the  
19 present user, registrant, or owner of the conflicting name:

20 (A) has merged into the applicant;

21 (B) has been converted into the applicant; or

22 (C) has transferred substantially all of its  
23 assets, including the conflicting name, to the  
24 applicant.

25 (f) Subject to Section 905, this Section applies to any  
26 foreign limited partnership transacting business in this  
27 State, having a certificate of authority to transact business  
28 in this State, or applying for a certificate of authority.

29 Section 109. Reservation of name.

30 (a) The exclusive right to the use of a name that complies  
31 with Section 108 may be reserved by:

32 (1) a person intending to organize a limited  
33 partnership under this Act and to adopt the name;

34 (2) a limited partnership or a foreign limited  
35 partnership authorized to transact business in this State

1 intending to adopt the name;

2 (3) a foreign limited partnership intending to obtain a  
3 certificate of authority to transact business in this State  
4 and adopt the name;

5 (4) a person intending to organize a foreign limited  
6 partnership and intending to have it obtain a certificate  
7 of authority to transact business in this State and adopt  
8 the name;

9 (5) a foreign limited partnership formed under the  
10 name; or

11 (6) a foreign limited partnership formed under a name  
12 that does not comply with Section 108(b) or (c), but the  
13 name reserved under this paragraph may differ from the  
14 foreign limited partnership's name only to the extent  
15 necessary to comply with Section 108(b) and (c).

16 (b) A person may apply to reserve a name under subsection  
17 (a) by delivering to the Secretary of State for filing an  
18 application that states the name to be reserved and the  
19 paragraph of subsection (a) which applies. If the Secretary of  
20 State finds that the name is available for use by the  
21 applicant, the Secretary of State shall file a statement of  
22 name reservation and thereby reserve the name for the exclusive  
23 use of the applicant for 120 days.

24 (c) An applicant that has reserved a name pursuant to  
25 subsection (b) may reserve the same name for additional 120-day  
26 periods. A person having a current reservation for a name may  
27 not apply for another 120-day period for the same name until 90  
28 days have elapsed in the current reservation.

29 (d) A person that has reserved a name under this Section  
30 may deliver to the Secretary of State for filing a notice of  
31 transfer that states the reserved name, the name and street and  
32 mailing address of some other person to which the reservation  
33 is to be transferred, and the paragraph of subsection (a) which  
34 applies to the other person. Subject to Section 206(c), the  
35 transfer is effective when the Secretary of State files the  
36 notice of transfer.

1 Section 110. Effect of partnership agreement; nonwaivable  
2 provisions.

3 (a) Except as otherwise provided in subsection (b), the  
4 partnership agreement governs relations among the partners and  
5 between the partners and the partnership. To the extent the  
6 partnership agreement does not otherwise provide, this Act  
7 governs relations among the partners and between the partners  
8 and the partnership.

9 (b) A partnership agreement may not:

10 (1) vary a limited partnership's power under Section  
11 105 to sue, be sued, and defend in its own name;

12 (2) vary the law applicable to a limited partnership  
13 under Section 106;

14 (3) vary the requirements of Section 204;

15 (4) vary the information required under Section 111 or  
16 unreasonably restrict the right to information under  
17 Sections 304 or 407, but the partnership agreement may  
18 impose reasonable restrictions on the availability and use  
19 of information obtained under those sections and may define  
20 appropriate remedies, including liquidated damages, for a  
21 breach of any reasonable restriction on use;

22 (5) eliminate the duty of loyalty under Section 408,  
23 but the partnership agreement may:

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

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

32 (6) unreasonably reduce the duty of care under Section  
33 408(c);

34 (7) eliminate the obligation of good faith and fair  
35 dealing under Sections 305(b) and 408(d), but the

1 partnership agreement may prescribe the standards by which  
2 the performance of the obligation is to be measured, if the  
3 standards are not manifestly unreasonable;

4 (8) vary the power of a person to dissociate as a  
5 general partner under Section 604(a) except to require that  
6 the notice under Section 603(1) be in a record;

7 (9) vary the power of a court to decree dissolution in  
8 the circumstances specified in Section 802;

9 (10) vary the requirement to wind up the partnership's  
10 business as specified in Section 803;

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

13 (12) restrict the right of a partner under Section  
14 1110(a) to approve a conversion or merger or the right of a  
15 general partner under Section 1110(b) to consent to an  
16 amendment to the certificate of limited partnership which  
17 deletes a statement that the limited partnership is a  
18 limited liability limited partnership; or

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

21 Section 111. Required information. A limited partnership  
22 shall maintain at its designated office the following  
23 information:

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

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

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

35 (4) a copy of the limited partnership's federal, state,

1 and local income tax returns and reports, if any, for the  
2 three most recent years;

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

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

8 (7) a copy of the three most recent annual reports  
9 delivered by the limited partnership to the Secretary of  
10 State pursuant to Section 210;

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

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

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

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

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

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

31 Section 112. Business transactions of partner with  
32 partnership. A partner may lend money to and transact other  
33 business with the limited partnership and has the same rights  
34 and obligations with respect to the loan or other transaction  
35 as a person that is not a partner.

1           Section 113. Dual capacity. A person may be both a general  
2 partner and a limited partner. A person that is both a general  
3 and limited partner has the rights, powers, duties, and  
4 obligations provided by this Act and the partnership agreement  
5 in each of those capacities. When the person acts as a general  
6 partner, the person is subject to the obligations, duties and  
7 restrictions under this Act and the partnership agreement for  
8 general partners. When the person acts as a limited partner,  
9 the person is subject to the obligations, duties and  
10 restrictions under this Act and the partnership agreement for  
11 limited partners.

12           Section 114. Office and agent for service of process.

13           (a) A limited partnership shall designate and continuously  
14 maintain in this State:

15                 (1) an office, which need not be a place of its  
16 activity in this State; and

17                 (2) an agent for service of process.

18           (b) A foreign limited partnership shall designate and  
19 continuously maintain in this State an agent for service of  
20 process.

21           (c) An agent for service of process of a limited  
22 partnership or foreign limited partnership must be an  
23 individual who is a resident of this State or other person  
24 authorized to do business in this State.

25           Section 115. Change of designated office or agent for  
26 service of process.

27           (a) In order to change its designated office, agent for  
28 service of process, or the address of its agent for service of  
29 process, a limited partnership or a foreign limited partnership  
30 may deliver to the Secretary of State for filing a statement of  
31 change containing:

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

1 (2) the street and mailing address of its current  
2 designated office;

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

6 (4) the name and street and mailing address of its  
7 current agent for service of process; and

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

10 (b) Subject to Section 206(c), a statement of change is  
11 effective when filed by the Secretary of State.

12 Section 116. Resignation of agent for service of process.

13 (a) In order to resign as an agent for service of process  
14 of a limited partnership or foreign limited partnership, the  
15 agent must deliver to the Secretary of State for filing a  
16 statement of resignation containing the name of the limited  
17 partnership or foreign limited partnership.

18 (b) After receiving a statement of resignation, the  
19 Secretary of State shall file it and mail a copy to the  
20 designated office of the limited partnership or foreign limited  
21 partnership and another copy to the principal office if the  
22 address of the office appears in the records of the Secretary  
23 of State and is different from the address of the designated  
24 office.

25 (c) An agency for service of process is terminated on the  
26 31st day after the Secretary of State files the statement of  
27 resignation.

28 Section 117. Service of process.

29 (a) An agent for service of process appointed by a limited  
30 partnership or foreign limited partnership is an agent of the  
31 limited partnership or foreign limited partnership for service  
32 of any process, notice, or demand required or permitted by law  
33 to be served upon the limited partnership or foreign limited  
34 partnership.

1 (b) If a limited partnership or foreign limited partnership  
2 does not appoint or maintain an agent for service of process in  
3 this State or the agent for service of process cannot with  
4 reasonable diligence be found at the agent's address, the  
5 Secretary of State is an agent of the limited partnership or  
6 foreign limited partnership upon whom process, notice, or  
7 demand may be served.

8 (c) Service of any process, notice, or demand on the  
9 Secretary of State may be made by delivering to and leaving  
10 with the Secretary of State duplicate copies of the process,  
11 notice, or demand. If a process, notice, or demand is served on  
12 the Secretary of State, the Secretary of State shall forward  
13 one of the copies by registered or certified mail, return  
14 receipt requested, to the limited partnership or foreign  
15 limited partnership at its designated office.

16 (d) Service is effected under subsection (c) at the  
17 earliest of:

18 (1) the date the limited partnership or foreign limited  
19 partnership receives the process, notice, or demand;

20 (2) the date shown on the return receipt, if signed on  
21 behalf of the limited partnership or foreign limited  
22 partnership; or

23 (3) five days after the process, notice, or demand is  
24 deposited in the mail, if mailed postpaid and correctly  
25 addressed.

26 (e) The Secretary of State shall keep a record of each  
27 process, notice, and demand served pursuant to this section and  
28 record the time of, and the action taken regarding, the  
29 service.

30 (f) This Section does not affect the right to serve  
31 process, notice, or demand in any other manner provided by law.

32 Section 118. Consent and proxies of parties. Action  
33 requiring the consent of partners under this Act may be taken  
34 without a meeting, and a partner may appoint a proxy to consent  
35 or otherwise act for the partner by signing an appointment



1 record, either personally or by the partner's attorney in fact.

2 ARTICLE 2  
3 FORMATION; CERTIFICATE OF  
4 LIMITED PARTNERSHIP AND OTHER FILINGS

5 Section 201. Formation of limited partnership; certificate  
6 of limited partnership.

7 (a) In order for a limited partnership to be formed, a  
8 certificate of limited partnership must be delivered to the  
9 Secretary of State for filing. The certificate must state:

10 (1) the name of the limited partnership, which must  
11 comply with Section 108;

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

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

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

19 (5) any additional information required by Article 11.

20 (b) A certificate of limited partnership may also contain  
21 any other matters but may not vary or otherwise affect the  
22 provisions specified in Section 110(b) in a manner inconsistent  
23 with that section.

24 (c) If there has been substantial compliance with  
25 subsection (a), subject to Section 206(c) a limited partnership  
26 is formed when the Secretary of State files the certificate of  
27 limited partnership.

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

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

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

6           Section 202. Amendment or restatement of certification.

7           (a) In order to amend its certificate of limited  
8           partnership, a limited partnership must deliver to the  
9           Secretary of State for filing an amendment or, pursuant to  
10          Article 11, articles of merger stating:

- 11           (1) the name of the limited partnership;  
12           (2) the date of filing of its initial certificate; and  
13           (3) the changes the amendment makes to the certificate  
14          as most recently amended or restated.

15          (b) A limited partnership shall promptly deliver to the  
16          Secretary of State for filing an amendment to a certificate of  
17          limited partnership to reflect:

- 18           (1) the admission of a new general partner;  
19           (2) the dissociation of a person as a general partner;  
20          or  
21           (3) the appointment of a person to wind up the limited  
22          partnership's activities under Section 803(c) or (d).

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

- 27           (1) cause the certificate to be amended; or  
28           (2) if appropriate, deliver to the Secretary of State  
29          for filing a statement of change pursuant to Section 115 or  
30          a statement of correction pursuant to Section 207.

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

34          (e) A restated certificate of limited partnership may be  
35          delivered to the Secretary of State for filing in the same

1 manner as an amendment.

2 (f) Subject to Section 206(c), an amendment or restated  
3 certificate is effective when filed by the Secretary of State.

4 Section 203. Statement of termination. A dissolved limited  
5 partnership that has completed winding up may deliver to the  
6 Secretary of State for filing a statement of termination that  
7 states:

8 (1) the name of the limited partnership;

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

11 (3) any other information as determined by the general  
12 partners filing the statement or by a person appointed  
13 pursuant to Section 803(c) or (d).

14 Section 204. Signing of records.

15 (a) Each record delivered to the Secretary of State for  
16 filing pursuant to this Act must be signed in the following  
17 manner:

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

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

25 (3) An amendment designating as general partner a  
26 person admitted under Section 801(3)(B) following the  
27 dissociation of a limited partnership's last general  
28 partner must be signed by that person.

29 (4) An amendment required by Section 803(c) following  
30 the appointment of a person to wind up the dissolved  
31 limited partnership's activities must be signed by that  
32 person.

33 (5) Any other amendment must be signed by:

34 (A) at least one general partner listed in the

1 certificate;

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

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

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

9 (ii) the person has previously delivered to  
10 the Secretary of State for filing a statement of  
11 dissociation.

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

18 (7) A statement of termination must be signed by all  
19 general partners listed in the certificate or, if the  
20 certificate of a dissolved limited partnership lists no  
21 general partners, by the person appointed pursuant to  
22 Section 803(c) or (d) to wind up the dissolved limited  
23 partnership's activities.

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

27 (9) Articles of merger must be signed as provided in  
28 Section 1108(a).

29 (10) Any other record delivered on behalf of a limited  
30 partnership to the Secretary of State for filing must be  
31 signed by at least one general partner listed in the  
32 certificate.

33 (11) A statement by a person pursuant to Section  
34 605(a)(4) stating that the person has dissociated as a  
35 general partner must be signed by that person.

36 (12) A statement of withdrawal by a person pursuant to

1 Section 306 must be signed by that person.

2 (13) A record delivered on behalf of a foreign limited  
3 partnership to the Secretary of State for filing must be  
4 signed by at least one general partner of the foreign  
5 limited partnership.

6 (14) Any other record delivered on behalf of any person  
7 to the Secretary of State for filing must be signed by that  
8 person.

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

11 Section 205. Signing and filing pursuant to judicial order.

12 (a) If a person required by this Act to sign a record or  
13 deliver a record to the Secretary of State for filing does not  
14 do so, any other person that is aggrieved may petition the  
15 circuit court to order:

16 (1) the person to sign the record;

17 (2) deliver the record to the Secretary of State for  
18 filing; or

19 (3) the Secretary of State to file the record unsigned.

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

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

29 Section 206. Delivery to and filing of records by Secretary  
30 of State; effective time and date.

31 (a) A record authorized or required to be delivered to the  
32 Secretary of State for filing under this Act must be captioned  
33 to describe the record's purpose, be in a medium permitted by  
34 the Secretary of State, and be delivered to the Secretary of

1 State. Unless the Secretary of State determines that a record  
2 does not comply with the filing requirements of this Act, and  
3 if all filing fees have been paid, the Secretary of State shall  
4 file the record and:

5 (1) for a statement of dissociation, send:

6 (A) a copy of the filed statement and a receipt for  
7 the fees to the person which the statement indicates  
8 has dissociated as a general partner; and

9 (B) a copy of the filed statement and receipt to  
10 the limited partnership;

11 (2) for a statement of withdrawal, send:

12 (A) a copy of the filed statement and a receipt for  
13 the fees to the person on whose behalf the record was  
14 filed; and

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

18 (3) for all other records, send a copy of the filed  
19 record and a receipt for the fees to the person on whose  
20 behalf the record was filed.

21 (b) Upon request and payment of a fee, the Secretary of  
22 State shall send to the requester a certified copy of the  
23 requested record.

24 (c) Except as otherwise provided in Sections 116 and 207, a  
25 record delivered to the Secretary of State for filing under  
26 this Act may specify an effective time and a delayed effective  
27 date. Except as otherwise provided in this Act, a record filed  
28 by the Secretary of State is effective:

29 (1) if the record does not specify an effective time  
30 and does not specify a delayed effective date, on the date  
31 and at the time the record is filed as evidenced by the  
32 Secretary of State's endorsement of the date and time on  
33 the record;

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

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

3 (A) the specified date; or

4 (B) the 90th day after the record is filed; or

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

8 (A) the specified date; or

9 (B) the 90th day after the record is filed.

10 Section 207. Correcting filed record.

11 (a) A limited partnership or foreign limited partnership  
12 may deliver to the Secretary of State for filing a statement of  
13 correction to correct a record previously delivered by the  
14 limited partnership or foreign limited partnership to the  
15 Secretary of State and filed by the Secretary of State, if at  
16 the time of filing the record contained false or erroneous  
17 information or was defectively signed.

18 (b) A statement of correction may not state a delayed  
19 effective date and must:

20 (1) describe the record to be corrected, including its  
21 filing date, or attach a copy of the record as filed;

22 (2) specify the incorrect information and the reason it  
23 is incorrect or the manner in which the signing was  
24 defective; and

25 (3) correct the incorrect information or defective  
26 signature.

27 (c) When filed by the Secretary of State, a statement of  
28 correction is effective retroactively as of the effective date  
29 of the record the statement corrects, but the statement is  
30 effective when filed:

31 (1) for the purposes of Section 103(c) and (d); and

32 (2) as to persons relying on the uncorrected record and  
33 adversely affected by the correction.

34 Section 208. Liability for false information in filed

1 record.

2 (a) If a record delivered to the Secretary of State for  
3 filing under this Act and filed by the Secretary of State  
4 contains false information, a person that suffers loss by  
5 reliance on the information may recover damages for the loss  
6 from:

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

10 (2) a general partner that has notice that the  
11 information was false when the record was filed or has  
12 become false because of changed circumstances, if the  
13 general partner has notice for a reasonably sufficient time  
14 before the information is relied upon to enable the general  
15 partner to effect an amendment under Section 202, file a  
16 petition pursuant to Section 205, or deliver to the  
17 Secretary of State for filing a statement of change  
18 pursuant to Section 115 or a statement of correction  
19 pursuant to Section 207.

20 (b) Signing a record authorized or required to be filed  
21 under this Act constitutes an affirmation under the penalties  
22 of perjury that the facts stated in the record are true.

23 Section 209. Certificate of existence or authorization.

24 (a) The Secretary of State, upon request and payment of the  
25 requisite fee, shall furnish a certificate of existence for a  
26 limited partnership if the records filed in the Office of the  
27 Secretary of State show that the Secretary of State has filed a  
28 certificate of limited partnership and has not filed a  
29 statement of termination. A certificate of existence must  
30 state:

31 (1) the limited partnership's name;

32 (2) that it was duly formed under the laws of this  
33 State and the date of formation;

34 (3) whether all fees, taxes, and penalties due to the  
35 Secretary of State under this Act or other law have been



1 paid;

2 (4) whether the limited partnership's most recent  
3 annual report required by Section 210 has been filed by the  
4 Secretary of State;

5 (5) whether the Secretary of State has  
6 administratively dissolved the limited partnership;

7 (6) whether the limited partnership's certificate of  
8 limited partnership has been amended to state that the  
9 limited partnership is dissolved;

10 (7) that a statement of termination has not been filed  
11 by the Secretary of State; and

12 (8) other facts of record in the Office of the  
13 Secretary of State which may be requested by the applicant.

14 (b) The Secretary of State, upon request and payment of the  
15 requisite fee, shall furnish a certificate of authorization for  
16 a foreign limited partnership if the records filed in the  
17 Office of the Secretary of State show that the Secretary of  
18 State has filed a certificate of authority, has not revoked the  
19 certificate of authority, and has not filed a notice of  
20 cancellation. A certificate of authorization must state:

21 (1) the foreign limited partnership's name and any  
22 alternate name adopted under Section 905(a) for use in this  
23 State;

24 (2) that it is authorized to transact business in this  
25 State;

26 (3) whether all fees, taxes, and penalties due to the  
27 Secretary of State under this Act or other law have been  
28 paid;

29 (4) whether the foreign limited partnership's most  
30 recent annual report required by Section 210 has been filed  
31 by the Secretary of State;

32 (5) that the Secretary of State has not revoked its  
33 certificate of authority and has not filed a notice of  
34 cancellation; and

35 (6) other facts of record in the Office of the  
36 Secretary of State which may be requested by the applicant.

1           (c) Subject to any qualification stated in the certificate,  
2 a certificate of existence or authorization issued by the  
3 Secretary of State may be relied upon as conclusive evidence  
4 that the limited partnership or foreign limited partnership is  
5 in existence or is authorized to transact business in this  
6 State.

7           Section 210. Annual report for Secretary of State.

8           (a) A limited partnership or a foreign limited partnership  
9 authorized to transact business in this State shall deliver to  
10 the Secretary of State for filing an annual report that states:

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

13               (2) the street and mailing address of its designated  
14 office and the name and street and mailing address of its  
15 agent for service of process in this State;

16               (3) in the case of a limited partnership, the street  
17 and mailing address of its principal office; and

18               (4) in the case of a foreign limited partnership, the  
19 State or other jurisdiction under whose law the foreign  
20 limited partnership is formed and any alternate name  
21 adopted under Section 905(a).

22           (b) Information in an annual report must be current as of  
23 the date the annual report is delivered to the Secretary of  
24 State for filing.

25           (c) The first annual report must be delivered to the  
26 Secretary of State between January 1 and April 1 of the year  
27 following the calendar year in which a limited partnership was  
28 formed or a foreign limited partnership was authorized to  
29 transact business. An annual report must be delivered to the  
30 Secretary of State between January 1 and April 1 of each  
31 subsequent calendar year.

32           (d) If an annual report does not contain the information  
33 required in subsection (a), the Secretary of State shall  
34 promptly notify the reporting limited partnership or foreign  
35 limited partnership and return the report to it for correction.

1 If the report is corrected to contain the information required  
2 in subsection (a) and delivered to the Secretary of State  
3 within 30 days after the effective date of the notice, it is  
4 timely delivered.

5 (e) If a filed annual report contains an address of a  
6 designated office or the name or address of an agent for  
7 service of process which differs from the information shown in  
8 the records of the Secretary of State immediately before the  
9 filing, the differing information in the annual report is  
10 considered a statement of change under Section 115.

11 ARTICLE 3

12 LIMITED PARTNERS

13 Section 301. Becoming limited partner. A person becomes a  
14 limited partner:

- 15 (1) as provided in the partnership agreement;  
16 (2) as the result of a conversion or merger under  
17 Article 11; or  
18 (3) with the consent of all the partners.

19 Section 302. No right or power as limited partner to bind  
20 limited partnership. A limited partner does not have the right  
21 or the power as a limited partner to act for or bind the  
22 limited partnership.

23 Section 303. No liability as limited partner for limited  
24 partnership obligation. An obligation of a limited  
25 partnership, whether arising in contract, tort, or otherwise,  
26 is not the obligation of a limited partner. A limited partner  
27 is not personally liable, directly or indirectly, by way of  
28 contribution or otherwise, for an obligation of the limited  
29 partnership solely by reason of being a limited partner, even  
30 if the limited partner participates in the management and  
31 control of the limited partnership.

1 Section 304. Right of limited partner and former limited  
2 partner to information.

3 (a) On 10 days' demand, made in a record received by the  
4 limited partnership, a limited partner may inspect and copy  
5 required information during regular business hours in the  
6 limited partnership's designated office. The limited partner  
7 need not have any particular purpose for seeking the  
8 information.

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

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

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

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

25 (c) Within 10 days after receiving a demand pursuant to  
26 subsection (b), the limited partnership in a record shall  
27 inform the limited partner that made the demand:

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

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

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

35 (d) Subject to subsection (f), a person dissociated as a  
36 limited partner may inspect and copy required information

1 during regular business hours in the limited partnership's  
2 designated office if:

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

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

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

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

11 (f) If a limited partner dies, Section 704 applies.

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

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

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

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

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

1 Section 305. Limited duties of limited partners.

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

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

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

13 Section 306. Person erroneously believing self to be  
14 limited partner.

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

23 (1) causes an appropriate certificate of limited  
24 partnership, amendment, or statement of correction to be  
25 signed and delivered to the Secretary of State for filing;  
26 or

27 (2) withdraws from future participation as an owner in  
28 the enterprise by signing and delivering to the Secretary  
29 of State for filing a statement of withdrawal under this  
30 section.

31 (b) A person that makes an investment described in  
32 subsection (a) is liable to the same extent as a general  
33 partner to any third party that enters into a transaction with  
34 the enterprise, believing in good faith that the person is a  
35 general partner, before the Secretary of State files a

1 statement of withdrawal, certificate of limited partnership,  
2 amendment, or statement of correction to show that the person  
3 is not a general partner.

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

#### 13 ARTICLE 4

#### 14 GENERAL PARTNERS

15 Section 401. Becoming general partner. A person becomes a  
16 general partner:

17 (1) as provided in the partnership agreement:

18 (2) under Section 801(3)(B) following the dissociation  
19 of a limited partnership's last general partner;

20 (3) as the result of a conversion or merger under  
21 Article 11; or

22 (4) with the consent of all the partners.

23 Section 402. General partner agent of limited partnership.

24 (a) Each general partner is an agent of the limited  
25 partnership for the purposes of its activities. An act of a  
26 general partner, including the signing of a record in the  
27 partnership's name, for apparently carrying on in the ordinary  
28 course the limited partnership's activities or activities of  
29 the kind carried on by the limited partnership binds the  
30 limited partnership, unless the general partner did not have  
31 authority to act for the limited partnership in the particular  
32 matter and the person with which the general partner was  
33 dealing knew, had received a notification, or had notice under

1 Section 103(d) that the general partner lacked authority.

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

7 Section 403. Limited partnership liable for general  
8 partner's actionable conduct.

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

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

21 Section 404. General partner's liability.

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

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

30 (c) An obligation of a limited partnership incurred while  
31 the limited partnership is a limited liability limited  
32 partnership, whether arising in contract, tort, or otherwise,  
33 is solely the obligation of the limited partnership. A general  
34 partner is not personally liable, directly or indirectly, by



1 way of contribution or otherwise, for such an obligation solely  
2 by reason of being or acting as a general partner. This  
3 subsection applies despite anything inconsistent in the  
4 partnership agreement that existed immediately before the  
5 consent required to become a limited liability limited  
6 partnership under Section 406(b) (2).

7 Section 405. Actions by and against partnership and  
8 partners.

9 (a) To the extent not inconsistent with Section 404, a  
10 general partner may be joined in an action against the limited  
11 partnership or named in a separate action.

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

17 (c) A judgment creditor of a general partner may not levy  
18 execution against the assets of the general partner to satisfy  
19 a judgment based on a claim against the limited partnership,  
20 unless the partner is personally liable for the claim under  
21 Section 404 and:

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

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

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

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

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

4           Section 406. Management rights of general partner.

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

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

12           (1) amend the partnership agreement;

13           (2) amend the certificate of limited partnership to add  
14          or, subject to Section 1110, delete a statement that the  
15          limited partnership is a limited liability limited  
16          partnership; and

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

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

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

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

35          (f) A general partner is not entitled to remuneration for

1 services performed for the partnership.

2 Section 407. Right of general partner and former general  
3 partner to information.

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

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

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

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

15 (1) without demand, any information concerning the  
16 limited partnership's activities and activities reasonably  
17 required for the proper exercise of the general partner's  
18 rights and duties under the partnership agreement or this  
19 Act; and

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

24 (c) Subject to subsection (e), on 10 days' demand made in a  
25 record received by the limited partnership, a person  
26 dissociated as a general partner may have access to the  
27 information and records described in subsection (a) at the  
28 location specified in subsection (a) if:

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

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

33 (3) the person satisfies the requirements imposed on a  
34 limited partner by Section 304(b).

35 (d) The limited partnership shall respond to a demand made

1 pursuant to subsection (c) in the same manner as provided in  
2 Section 304(c).

3 (e) If a general partner dies, Section 704 applies.

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

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

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

19 (i) The rights under this Section do not extend to a person  
20 as transferee, but the rights under subsection (c) of a person  
21 dissociated as a general may be exercised by the legal  
22 representative of an individual who dissociated as a general  
23 partner under Section 603(7) (B) or (C).

24 Section 408. General standards of general partner's  
25 conduct.

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

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

31 (1) to account to the limited partnership and hold as  
32 trustee for it any property, profit, or benefit derived by  
33 the general partner in the conduct and winding up of the  
34 limited partnership's activities or derived from a use by  
35 the general partner of limited partnership property,

1 including the appropriation of a limited partnership  
2 opportunity;

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

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

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

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

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

## 23 ARTICLE 5

### 24 CONTRIBUTIONS AND DISTRIBUTIONS

25 Section 501. Form of contribution. A contribution of a  
26 partner may consist of tangible or intangible property or other  
27 benefit to the limited partnership, including money, services  
28 performed, promissory notes, other agreements to contribute  
29 cash or property, and contracts for services to be performed.

30 Section 502. Liability for contribution.

31 (a) A partner's obligation to contribute money or other  
32 property or other benefit to, or to perform services for, a  
33 limited partnership is not excused by the partner's death,

1 disability, or other inability to perform personally.

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

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

14 Section 503. Sharing of distributions. A distribution by a  
15 limited partnership must be shared among the partners on the  
16 basis of the value, as stated in the required records when the  
17 limited partnership decides to make the distribution, of the  
18 contributions the limited partnership has received from each  
19 partner.

20 Section 504. Interim distributions. A partner does not have  
21 a right to any distribution before the dissolution and winding  
22 up of the limited partnership unless the limited partnership  
23 decides to make an interim distribution.

24 Section 505. No distribution on account of dissociation. A  
25 person does not have a right to receive a distribution on  
26 account of dissociation.

27 Section 506. Distribution in kind. A partner does not have  
28 a right to demand or receive any distribution from a limited  
29 partnership in any form other than cash. Subject to Section  
30 812(b), a limited partnership may distribute an asset in kind  
31 to the extent each partner receives a percentage of the asset  
32 equal to the partner's share of distributions.

1           Section 507. Right to distribution. When a partner or  
2 transferee becomes entitled to receive a distribution, the  
3 partner or transferee has the status of, and is entitled to all  
4 remedies available to, a creditor of the limited partnership  
5 with respect to the distribution. However, the limited  
6 partnership's obligation to make a distribution is subject to  
7 offset for any amount owed to the limited partnership by the  
8 partner or dissociated partner on whose account the  
9 distribution is made.

10           Section 508. Limitations on distribution.

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

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

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

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

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

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

34                 (1) in the case of distribution by purchase,

1 redemption, or other acquisition of a transferable  
2 interest in the limited partnership, as of the date money  
3 or other property is transferred or debt incurred by the  
4 limited partnership; and

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

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

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

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

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

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

25 Section 509. Liability for improper distributions.

26 (a) A general partner that consents to a distribution made  
27 in violation of Section 508 is personally liable to the limited  
28 partnership for the amount of the distribution which exceeds  
29 the amount that could have been distributed without the  
30 violation if it is established that in consenting to the  
31 distribution the general partner failed to comply with Section  
32 408.

33 (b) A partner or transferee that received a distribution  
34 knowing that the distribution to that partner or transferee was  
35 made in violation of Section 508 is personally liable to the



1 limited partnership but only to the extent that the  
2 distribution received by the partner or transferee exceeded the  
3 amount that could have been properly paid under Section 508.

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

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

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

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

15 ARTICLE 6

16 DISSOCIATION

17 Section 601. Dissociation as limited partner.

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

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

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

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

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

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

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

1 partner;

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

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

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

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

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

25 (B) the person willfully or persistently committed  
26 a material breach of the partnership agreement or of  
27 the obligation of good faith and fair dealing under  
28 Section 305(b); or

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

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

35 (7) in the case of a person that is a trust or is  
36 acting as a limited partner by virtue of being a trustee of

1 a trust, distribution of the trust's entire transferable  
2 interest in the limited partnership, but not merely by  
3 reason of the substitution of a successor trustee;

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

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

13 (10) the limited partnership's participation in a  
14 conversion or merger under Article 11, if the limited  
15 partnership:

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

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

20 Section 602. Effect of dissociation as limited partner.

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

22 (1) subject to Section 704, the person does not have  
23 further rights as a limited partner;

24 (2) the person's obligation of good faith and fair  
25 dealing as a limited partner under Section 305(b) continues  
26 only as to matters arising and events occurring before the  
27 dissociation; and

28 (3) subject to Section 704 and Article 11, any  
29 transferable interest owned by the person in the person's  
30 capacity as a limited partner immediately before  
31 dissociation is owned by the person as a mere transferee.

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

1           Section 603. Dissociation as general partner. A person is  
2 dissociated from a limited partnership as a general partner  
3 upon the occurrence of any of the following events:

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

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

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

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

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

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

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

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

34           (5) on application by the limited partnership, the  
35 person's expulsion as a general partner by judicial

1 determination because:

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

5 (B) the person willfully or persistently committed  
6 a material breach of the partnership agreement or of a  
7 duty owed to the partnership or the other partners  
8 under Section 408; or

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

14 (6) the person's:

15 (A) becoming a debtor in bankruptcy;

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

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

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

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

30 (A) the person's death;

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

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

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

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

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

15 (11) the limited partnership's participation in a  
16 conversion or merger under Article 11, if the limited  
17 partnership:

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

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

22 Section 604. Person's to dissociate as general partner;  
23 wrongful dissociation.

24 (a) A person has the power to dissociate as a general  
25 partner at any time, rightfully or wrongfully, by express will  
26 pursuant to Section 603(1).

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

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

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

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

35 (B) the person is expelled as a general partner by

1           judicial determination under Section 603(5);

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

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

9           (c) A person that wrongfully dissociates as a general  
10          partner is liable to the limited partnership and, subject to  
11          Section 1001, to the other partners for damages caused by the  
12          dissociation. The liability is in addition to any other  
13          obligation of the general partner to the limited partnership or  
14          to the other partners.

15          Section 605. Effect of dissociation as general partner.

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

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

20               (2) the person's duty of loyalty as a general partner  
21               under Section 408(b) (3) terminates;

22               (3) the person's duty of loyalty as a general partner  
23               under Section 408(b) (1) and (2) and duty of care under  
24               Section 408(c) continue only with regard to matters arising  
25               and events occurring before the person's dissociation as a  
26               general partner;

27               (4) the person may sign and deliver to the Secretary of  
28               State for filing a statement of dissociation pertaining to  
29               the person and, at the request of the limited partnership,  
30               shall sign an amendment to the certificate of limited  
31               partnership which states that the person has dissociated;  
32               and

33               (5) subject to Section 704 and Article 11, any  
34               transferable interest owned by the person immediately  
35               before dissociation in the person's capacity as a general

1 partner is owned by the person as a mere transferee.

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

6 Section 606. Power to bind and liability to limited  
7 partnership before dissolution of partnership of person  
8 dissociated as general partner.

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

13 (1) the act would have bound the limited partnership  
14 under Section 402 before the dissociation; and

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

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

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

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

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

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

33 Section 607. Liability to other persons of person  
34 dissociated as general partner.



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

7 (b) A person whose dissociation as a general partner  
8 resulted in a dissolution and winding up of the limited  
9 partnership's activities is liable to the same extent as a  
10 general partner under Section 404 on an obligation incurred by  
11 the limited partnership under Section 804.

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

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

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

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

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

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

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

## ARTICLE 7

## TRANSFERABLE INTERESTS AND RIGHTS

## OF TRANSFEREES AND CREDITORS

Section 701. 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.

Section 702. 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

1 and retains all duties and obligations of a partner.

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

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

10 (g) A transferee that becomes a partner with respect to a  
11 transferable interest is liable for the transferor's  
12 obligations under Sections 502 and 509. However, the transferee  
13 is not obligated for liabilities unknown to the transferee at  
14 the time the transferee became a partner.

15 Section 703. Rights of creditor of partner or transferee.

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

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

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

34 (1) by the judgment debtor;

35 (2) with property other than limited partnership

1 property, by one or more of the other partners; or

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

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

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

11 Section 704. Power of estate of deceased partner. If a  
12 partner dies, the deceased partner's personal representative  
13 or other legal representative may exercise the rights of a  
14 transferee as provided in Section 702 and, for the purposes of  
15 settling the estate, may exercise the rights of a current  
16 limited partner under Section 304.

17 ARTICLE 8

18 DISSOLUTION

19 Section 801. Nonjudicial dissolution. Except as otherwise  
20 provided in Section 802, a limited partnership is dissolved,  
21 and its activities must be wound up, only upon the occurrence  
22 of any of the following:

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

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

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

31 (A) if the limited partnership has at least one  
32 remaining general partner, the consent to dissolve the

1 limited partnership given within 90 days after the  
2 dissociation by partners owning a majority of the  
3 rights to receive distributions as partners at the time  
4 the consent is to be effective; or

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

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

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

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

20 (5) the signing and filing of a declaration of  
21 dissolution by the Secretary of State under Section 809(c).

22 Section 802. Judicial dissolution. On application by a  
23 partner the circuit court may order dissolution of a limited  
24 partnership if it is not reasonably practicable to carry on the  
25 activities of the limited partnership in conformity with the  
26 partnership agreement.

27 Section 803. Winding up.

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

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

31 (1) may amend its certificate of limited partnership to  
32 state that the limited partnership is dissolved, preserve  
33 the limited partnership business or property as a going  
34 concern for a reasonable time, prosecute and defend actions

1 and proceedings, whether civil, criminal, or  
2 administrative, transfer the limited partnership's  
3 property, settle disputes by mediation or arbitration,  
4 file a statement of termination as provided in Section 203,  
5 and perform other necessary acts; and

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

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

16 (1) has the powers of a general partner under Section  
17 804; and

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

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

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

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

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

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

33 (2) the applicant establishes other good cause.

34 Section 804. Power of general partner and person  
35 dissociated as general partner to bind partnership after

1 dissolution.

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

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

6 (2) would have bound the limited partnership under  
7 Section 402 before dissolution, if, at the time the other  
8 party enters into the transaction, the other party does not  
9 have notice of the dissolution.

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

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

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

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

20 (2) the act:

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

23 (B) would have bound the limited partnership under  
24 Section 402 before dissolution and at the time the  
25 other party enters into the transaction the other party  
26 does not have notice of the dissolution.

27 Section 805. Liability after dissolution of general  
28 partner and person dissociated as general partner to limited  
29 partnership, other general partners, and persons dissociated  
30 as general partner.

31 (a) If a general partner having knowledge of the  
32 dissolution causes a limited partnership to incur an obligation  
33 under Section 804(a) by an act that is not appropriate for  
34 winding up the partnership's activities, the general partner is  
35 liable:

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

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

7 (b) If a person dissociated as a general partner causes a  
8 limited partnership to incur an obligation under Section  
9 804(b), the person is liable:

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

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

17 Section 806. Known claims against dissolved limited  
18 partnership.

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

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

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

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

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

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

33 (5) unless the limited partnership has been throughout  
34 its existence a limited liability limited partnership,  
35 state that the barring of a claim against the limited



1 partnership will also bar any corresponding claim against  
2 any general partner or person dissociated as a general  
3 partner which is based on Section 404.

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

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

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

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

16 Section 807. Other claims against dissolved limited  
17 partnership.

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

22 (b) The notice must:

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

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

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

35 (4) unless the limited partnership has been throughout

1 its existence a limited liability limited partnership,  
2 state that the barring of a claim against the limited  
3 partnership will also bar any corresponding claim against  
4 any general partner or person dissociated as a general  
5 partner which is based on Section 404.

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

12 (1) a claimant that did not receive notice in a record  
13 under Section 806;

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

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

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

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

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

30 (3) against any person liable on the claim under  
31 Section 404.

32 Section 808. Liability of general partner and person  
33 dissociated as general partner when claim against limited  
34 partnership barred. If a claim against a dissolved limited  
35 partnership is barred under Section 806 or 807, any

1 corresponding claim under Section 404 is also barred.

2 Section 809. Administrative dissolution.

3 (a) The Secretary of State may dissolve a limited  
4 partnership administratively if the limited partnership does  
5 not, within 60 days after the due date:

6 (1) pay any fee, tax, or penalty due to the Secretary  
7 of State under this Act or other law; or

8 (2) deliver its annual report to the Secretary of  
9 State.

10 (b) If the Secretary of State determines that a ground  
11 exists for administratively dissolving a limited partnership,  
12 the Secretary of State shall file a record of the determination  
13 and serve the limited partnership with a copy of the filed  
14 record.

15 (c) If within 60 days after service of the copy the limited  
16 partnership does not correct each ground for dissolution or  
17 demonstrate to the reasonable satisfaction of the Secretary of  
18 State that each ground determined by the Secretary of State  
19 does not exist, the Secretary of State shall administratively  
20 dissolve the limited partnership by preparing, signing and  
21 filing a declaration of dissolution that states the grounds for  
22 dissolution. The Secretary of State shall serve the limited  
23 partnership with a copy of the filed declaration.

24 (d) A limited partnership administratively dissolved  
25 continues its existence but may carry on only activities  
26 necessary to wind up its activities and liquidate its assets  
27 under Sections 803 and 812 and to notify claimants under  
28 Sections 806 and 807.

29 (e) The administrative dissolution of a limited  
30 partnership does not terminate the authority of its agent for  
31 service of process.

32 Section 810. Reinstatement following administrative  
33 dissolution.

34 (a) A limited partnership that has been administratively

1 dissolved may apply to the Secretary of State for reinstatement  
2 within two years after the effective date of dissolution. The  
3 application must be delivered to the Secretary of State for  
4 filing and state:

5 (1) the name of the limited partnership and the  
6 effective date of its administrative dissolution;

7 (2) that the grounds for dissolution either did not  
8 exist or have been eliminated; and

9 (3) that the limited partnership's name satisfies the  
10 requirements of Section 108.

11 (b) If the Secretary of State determines that an  
12 application contains the information required by subsection  
13 (a) and that the information is correct, the Secretary of State  
14 shall prepare a declaration of reinstatement that states this  
15 determination, sign, and file the original of the declaration  
16 of reinstatement, and serve the limited partnership with a  
17 copy.

18 (c) When reinstatement becomes effective, it relates back  
19 to and takes effect as of the effective date of the  
20 administrative dissolution and the limited partnership may  
21 resume its activities as if the administrative dissolution had  
22 never occurred.

23 Section 811. Appeal from denial of reinstatement.

24 (a) If the Secretary of State denies a limited  
25 partnership's application for reinstatement following  
26 administrative dissolution, the Secretary of State shall  
27 prepare, sign and file a notice that explains the reason or  
28 reasons for denial and serve the limited partnership with a  
29 copy of the notice.

30 (b) Within 30 days after service of the notice of denial,  
31 the limited partnership may appeal from the denial of  
32 reinstatement by petitioning the Circuit Court of Sangamon  
33 County to set aside the dissolution. The petition must be  
34 served on the Secretary of State and contain a copy of the  
35 Secretary of State's declaration of dissolution, the limited

1 partnership's application for reinstatement, and the Secretary  
2 of State's notice of denial.

3 (c) The court may summarily order the Secretary of State to  
4 reinstate the dissolved limited partnership or may take other  
5 action the court considers appropriate.

6 Section 812. Disposition of assets; when contributions  
7 required.

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

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

16 (c) If a limited partnership's assets are insufficient to  
17 satisfy all of its obligations under subsection (a), with  
18 respect to each unsatisfied obligation incurred when the  
19 limited partnership was not a limited liability limited  
20 partnership, the following rules apply:

21 (1) Each person that was a general partner when the  
22 obligation was incurred and that has not been released from  
23 the obligation under Section 607 shall contribute to the  
24 limited partnership for the purpose of enabling the limited  
25 partnership to satisfy the obligation. The contribution  
26 due from each of those persons is in proportion to the  
27 right to receive distributions in the capacity of general  
28 partner in effect for each of those persons when the  
29 obligation was incurred.

30 (2) If a person does not contribute the full amount  
31 required under paragraph (1) with respect to an unsatisfied  
32 obligation of the limited partnership, the other persons  
33 required to contribute by paragraph (1) on account of the  
34 obligation shall contribute the additional amount  
35 necessary to discharge the obligation. The additional

1 contribution due from each of those other persons is in  
2 proportion to the right to receive distributions in the  
3 capacity of general partner in effect for each of those  
4 other persons when the obligation was incurred.

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

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

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

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

## 23 ARTICLE 9

### 24 FOREIGN LIMITED PARTNERSHIPS

25 Section 901. Governing law.

26 (a) The laws of the State or other jurisdiction under which  
27 a foreign limited partnership is organized govern relations  
28 among the partners of the foreign limited partnership and  
29 between the partners and the foreign limited partnership and  
30 the liability of partners as partners for an obligation of the  
31 foreign limited partnership.

32 (b) A foreign limited partnership may not be denied a  
33 certificate of authority by reason of any difference between  
34 the laws of the jurisdiction under which the foreign limited

1 partnership is organized and the laws of this State.

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

6 Section 902. Application for certificate of authority.

7 (a) A foreign limited partnership may apply for a  
8 certificate of authority to transact business in this State by  
9 delivering an application to the Secretary of State for filing.  
10 The application must state:

11 (1) the name of the foreign limited partnership and, if  
12 the name does not comply with Section 108, an alternate  
13 name adopted pursuant to Section 905(a);

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

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

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

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

27 (6) whether the foreign limited partnership is a  
28 foreign limited liability limited partnership.

29 (b) A foreign limited partnership shall deliver with the  
30 completed application a certificate of existence or a record of  
31 similar import signed by the Secretary of State or other  
32 official having custody of the foreign limited partnership's  
33 publicly filed records in the State or other jurisdiction under  
34 whose law the foreign limited partnership is organized.

1           Section 903. Activities not constituting transacting  
2 business.

3           (a) Activities of a foreign limited partnership which do  
4 not constitute transacting business in this State within the  
5 meaning of this Article include:

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

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

10                (3) maintaining accounts in financial institutions;

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

15                (5) selling through independent contractors;

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

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

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

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

29                (10) transacting business in interstate commerce.

30           (b) For purposes of this Article, the ownership in this  
31 State of income-producing real property or tangible personal  
32 property, other than property excluded under subsection (a),  
33 constitutes transacting business in this State.

34           (c) This Section does not apply in determining the contacts  
35 or activities that may subject a foreign limited partnership to  
36 service of process, taxation, or regulation under any other law



1 of this State.

2 Section 904. Filing of certificate of authority. Unless the  
3 Secretary of State determines that an application for a  
4 certificate of authority does not comply with the filing  
5 requirements of this Act, the Secretary of State, upon payment  
6 of all filing fees, shall file the application, prepare, sign  
7 and file a certificate of authority to transact business in  
8 this State, and send a copy of the filed certificate, together  
9 with a receipt for the fees, to the foreign limited partnership  
10 or its representative.

11 Section 905. Noncomplying name of foreign limited  
12 partnership.

13 (a) A foreign limited partnership whose name does not  
14 comply with Section 108 may not obtain a certificate of  
15 authority until it adopts, for the purpose of transacting  
16 business in this State, an alternate name that complies with  
17 Section 108. A foreign limited partnership that adopts an  
18 alternate name under this subsection and then obtains a  
19 certificate of authority with the name need not comply with the  
20 Assumed Business Name Act. After obtaining a certificate of  
21 authority with an alternate name, a foreign limited partnership  
22 shall transact business in this State under the name unless the  
23 foreign limited partnership is authorized under the Assumed  
24 Business Name Act to transact business in this State under  
25 another name.

26 (b) If a foreign limited partnership authorized to transact  
27 business in this State changes its name to one that does not  
28 comply with Section 108, it may not thereafter transact  
29 business in this State until it complies with subsection (a)  
30 and obtains an amended certificate of authority.

31 Section 906. Revocation of certificate of authority.

32 (a) A certificate of authority of a foreign limited  
33 partnership to transact business in this State may be revoked

1 by the Secretary of State in the manner provided in subsections  
2 (b) and (c) if the foreign limited partnership does not:

3 (1) pay, within 60 days after the due date, any fee,  
4 tax or penalty due to the Secretary of State under this Act  
5 or other law;

6 (2) deliver, within 60 days after the due date, its  
7 annual report required under Section 210;

8 (3) appoint and maintain an agent for service of  
9 process as required by Section 114(b); or

10 (4) deliver for filing a statement of a change under  
11 Section 115 within 30 days after a change has occurred in  
12 the name or address of the agent.

13 (b) In order to revoke a certificate of authority, the  
14 Secretary of State must prepare, sign, and file a notice of  
15 revocation and send a copy to the foreign limited partnership's  
16 agent for service of process in this State, or if the foreign  
17 limited partnership does not appoint and maintain a proper  
18 agent in this State, to the foreign limited partnership's  
19 designated office. The notice must state:

20 (1) the revocation's effective date, which must be at  
21 least 60 days after the date the Secretary of State sends  
22 the copy; and

23 (2) the foreign limited partnership's failures to  
24 comply with subsection (a) which are the reason for the  
25 revocation.

26 (c) The authority of the foreign limited partnership to  
27 transact business in this State ceases on the effective date of  
28 the notice of revocation unless before that date the foreign  
29 limited partnership cures each failure to comply with  
30 subsection (a) stated in the notice. If the foreign limited  
31 partnership cures the failures, the Secretary of State shall so  
32 indicate on the filed notice.

33 Section 907. Cancellation of certificate of authority;  
34 effect of failure to have certificate.

35 (a) In order to cancel its certificate of authority to

1 transact business in this State, a foreign limited partnership  
2 must deliver to the Secretary of State for filing a notice of  
3 cancellation. The certificate is canceled when the notice  
4 becomes effective under Section 206.

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

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

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

20 (e) If a foreign limited partnership transacts business in  
21 this State without a certificate of authority or cancels its  
22 certificate of authority, it appoints the Secretary of State as  
23 its agent for service of process for rights of action arising  
24 out of the transaction of business in this State.

25 Section 908. Action by Attorney General. The Attorney  
26 General may maintain an action to restrain a foreign limited  
27 partnership from transacting business in this State in  
28 violation of this Article.

29 ARTICLE 10

30 ACTIONS BY PARTNERS

31 Section 1001. Direct action by partner.

32 (a) Subject to subsection (b), a partner may maintain a  
33 direct action against the limited partnership or another

1 partner for legal or equitable relief, with or without an  
2 accounting as to the partnership's activities, to enforce the  
3 rights and otherwise protect the interests of the partner,  
4 including rights and interests under the partnership agreement  
5 or this Act or arising independently of the partnership  
6 relationship.

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

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

15 Section 1002. Derivative action. A partner may maintain a  
16 derivative action to enforce a right of a limited partnership  
17 if:

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

23 (2) a demand would be futile.

24 Section 1003. Proper plaintiff. A derivative action may be  
25 maintained only by a person that is a partner at the time the  
26 action is commenced and:

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

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

33 Section 1004. Pleading. In a derivative action, the

1 complaint must state with particularity:

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

4 (2) why demand should be excused as futile.

5 Section 1005. Proceeds and expenses.

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

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

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

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

18 ARTICLE 11

19 CONVERSION AND MERGER

20 Section 1101. Definitions. In this Article:

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

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

25 (3) "Converted organization" means the organization into  
26 which a converting organization converts pursuant to Sections  
27 1102 through 1105.

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

30 (5) "Converting organization" means an organization that  
31 converts into another organization pursuant to Section 1102.

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

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

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

9           (9) "Organizational documents" means:

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

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

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

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

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

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

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

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

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

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

12 Section 1102. Conversion.

13 (a) An organization other than a limited partnership may  
14 convert to a limited partnership, and a limited partnership may  
15 convert to another organization pursuant to this Section and  
16 Sections 1103 through 1105 and a plan of conversion, if:

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

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

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

23 (b) A plan of conversion must be in a record and must  
24 include:

25 (1) the name and form of the organization before  
26 conversion;

27 (2) the name and form of the organization after  
28 conversion; and

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

34 (4) the organizational documents of the converted  
35 organization.

1 Section 1103. Action on plan of conversion by converting  
2 limited partnership.

3 (a) Subject to Section 1110, a plan of conversion must be  
4 consented to by all the partners of a converting limited  
5 partnership.

6 (b) Subject to Section 1110 and any contractual rights,  
7 after a conversion is approved, and at any time before a filing  
8 is made under Section 1104, a converting limited partnership  
9 may amend the plan or abandon the planned conversion:

10 (1) as provided in the plan; and

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

13 Section 1104. Filings required for conversion; effective  
14 date.

15 (a) After a plan of conversion is approved:

16 (1) a converting limited partnership shall deliver to  
17 the Secretary of State for filing articles of conversion,  
18 which must include:

19 (A) a statement that the limited partnership has  
20 been converted into another organization;

21 (B) the name and form of the organization and the  
22 jurisdiction of its governing statute;

23 (C) the date the conversion is effective under the  
24 governing statute of the converted organization;

25 (D) a statement that the conversion was approved as  
26 required by this Act;

27 (E) a statement that the conversion was approved as  
28 required by the governing statute of the converted  
29 organization; and

30 (F) if the converted organization is a foreign  
31 organization not authorized to transact business in  
32 this State, the street and mailing address of an office  
33 which the Secretary of State may use for the purposes  
34 of Section 1105(c); and



1 (2) if the converting organization is not a converting  
2 limited partnership, the converting organization shall  
3 deliver to the Secretary of State for filing a certificate  
4 of limited partnership, which must include, in addition to  
5 the information required by Section 201:

6 (A) a statement that the limited partnership was  
7 converted from another organization;

8 (B) the name and form of the organization and the  
9 jurisdiction of its governing statute; and (C) a  
10 statement that the conversion was approved in a manner  
11 that complied with the organization's governing  
12 statute.

13 (b) A conversion becomes effective:

14 (1) if the converted organization is a limited  
15 partnership, when the certificate of limited partnership  
16 takes effect; and

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

20 Section 1105. Effect of conversion.

21 (a) An organization that has been converted pursuant to  
22 this Article is for all purposes the same entity that existed  
23 before the conversion.

24 (b) When a conversion takes effect:

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

27 (2) all debts, liabilities, and other obligations of  
28 the converting organization continue as obligations of the  
29 converted organization;

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

33 (4) except as prohibited by other law, all of the  
34 rights, privileges, immunities, powers, and purposes of  
35 the converting organization remain vested in the converted

1 organization;

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

5 (6) except as otherwise agreed, the conversion does not  
6 dissolve a converting limited partnership for the purposes  
7 of Article 8.

8 (c) A converted organization that is a foreign organization  
9 consents to the jurisdiction of the courts of this State to  
10 enforce any obligation owed by the converting limited  
11 partnership, if before the conversion the converting limited  
12 partnership was subject to suit in this State on the  
13 obligation. A converted organization that is a foreign  
14 organization and not authorized to transact business in this  
15 State appoints the Secretary of State as its agent for service  
16 of process for purposes of enforcing an obligation under this  
17 subsection. Service on the Secretary of State under this  
18 subsection is made in the same manner and with the same  
19 consequences as in Section 117(c) and (d).

20 Section 1106. Merger.

21 (a) A limited partnership may merge with one or more other  
22 constituent organizations pursuant to this Section and  
23 Sections 1107 through 1109 and a plan of merger, if:

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

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

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

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

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

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

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

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

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

12 Section 1107. Action on plan of merger by constituent  
13 limited partnership.

14 (a) Subject to Section 1110, a plan of merger must be  
15 consented to by all the partners of a constituent limited  
16 partnership.

17 (b) Subject to Section 1110 and any contractual rights,  
18 after a merger is approved, and at any time before a filing is  
19 made under Section 1108, a constituent limited partnership may  
20 amend the plan or abandon the planned merger:

21 (1) as provided in the plan; and

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

24 Section 1108. Filings required for merger; effective date.

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

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

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

32 (b) The articles of merger must include:

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

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

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

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

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

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

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

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

22           (7) if the surviving organization is a foreign  
23 organization not authorized to transact business in this  
24 State, the street and mailing address of an office which  
25 the Secretary of State may use for the purposes of Section  
26 1109(b); and

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

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

32           (d) A merger becomes effective under this Article:

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

35                   (i) compliance with subsection (c); or

36                   (ii) subject to Section 206(c), as specified in the

1 articles of merger; or

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

5 Section 1109. Effect of merger.

6 (a) When a merger becomes effective:

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

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

12 (3) all property owned by each constituent  
13 organization that ceases to exist vests in the surviving  
14 organization;

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

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

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

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

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

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

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

35 (B) if it is an organization other than a limited

1 partnership, the organizational document that creates  
2 the organization becomes effective; and

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

7 (b) A surviving organization that is a foreign organization  
8 consents to the jurisdiction of the courts of this State to  
9 enforce any obligation owed by a constituent organization, if  
10 before the merger the constituent organization was subject to  
11 suit in this State on the obligation. A surviving organization  
12 that is a foreign organization and not authorized to transact  
13 business in this State appoints the Secretary of State as its  
14 agent for service of process for the purposes of enforcing an  
15 obligation under this subsection. Service on the Secretary of  
16 State under this subsection is made in the same manner and with  
17 the same consequences as in Section 117(c) and (d).

18 Section 1110. Restrictions on approval of conversions and  
19 mergers and on relinquishing LLLP status.

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

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

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

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

34 (1) the limited partnership's partnership agreement  
35 provides for the amendment with the consent of less than

1 all the general partners; and

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

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

10 Section 1111. Liability of general partner after  
11 conversion or merger.

12 (a) A conversion or merger under this Article does not  
13 discharge any liability under Sections 404 and 607 of a person  
14 that was a general partner in or dissociated as a general  
15 partner from a converting or constituent limited partnership,  
16 but:

17 (1) the provisions of this Act pertaining to the  
18 collection or discharge of the liability continue to apply  
19 to the liability;

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

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

25 (A) the person has a right of contribution from  
26 each other person that was liable as a general partner  
27 under Section 404 when the obligation was incurred and  
28 has not been released from the obligation under Section  
29 607; and

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

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

35 (1) a person that immediately before a conversion or

1 merger became effective was a general partner in a  
2 converting or constituent limited partnership that was not  
3 a limited liability limited partnership is personally  
4 liable for each obligation of the converted or surviving  
5 organization arising from a transaction with a third party  
6 after the conversion or merger becomes effective, if, at  
7 the time the third party enters into the transaction, the  
8 third party:

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

11 (B) reasonably believes that:

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

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

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

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

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

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

34 (i) does not have notice of the dissociation;

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



1 (iii) reasonably believes that the converted  
2 or surviving organization is the converting or  
3 constituent limited partnership, the converting or  
4 constituent limited partnership is not a limited  
5 liability limited partnership, and the person is a  
6 general partner in the converting or constituent  
7 limited partnership.

8 Section 1112. Power of general partners and persons  
9 dissociated as general partners to bind organization after  
10 conversion or merger.

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

16 (1) before the conversion or merger became effective,  
17 the act would have bound the converting or constituent  
18 limited partnership under Section 402; and

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

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

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

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

33 (1) before the conversion or merger became effective,  
34 the act would have bound the converting or constituent  
35 limited partnership under Section 402 if the person had

1           been a general partner; and

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

6                   (A) does not have notice of the dissociation;

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

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

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

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

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

23           Section 1113. Article not exclusive. This Article does not  
24           preclude an entity from being converted or merged under other  
25           law.

26   ARTICLE 12

27   MISCELLANEOUS PROVISIONS

28           Section 1201. Uniformity of application and construction.  
29           In applying and construing this Uniform Act, consideration must  
30           be given to the need to promote uniformity of the law with  
31           respect to its subject matter among States that enact it.

32           Section 1202. Severability clause. If any provision of this

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

6 Section 1203. Relation to Electronic Signatures in Global  
7 and National Commerce Act. This Act modifies, limits, or  
8 supersedes the federal Electronic Signatures in Global and  
9 National Commerce Act, 15 U.S.C. Section 7001 et seq., but this  
10 Act does not modify, limit, or supersede Section 101(c) of that  
11 Act or authorize electronic delivery of any of the notices  
12 described in Section 103(b) of that Act.

13 Section 1204. Effective date. (Blank).

14 (805 ILCS 210/Act rep.)

15 Section 1205. Repeals. The following Act is repealed: the  
16 Revised Uniform Limited Partnership Act.

17 Section 1206. Application to existing relationships.

18 (a) Before the effective date of this Act, this Act governs  
19 only:

20 (1) a limited partnership formed on or after the  
21 effective date of this Act; and

22 (2) except as otherwise provided in subsections (c) and  
23 (d), a limited partnership formed before the effective date  
24 of this Act which elects, in the manner provided in its  
25 partnership agreement or by law for amending the  
26 partnership agreement, to be subject to this Act.

27 (b) Except as otherwise provided in subsection (c), on and  
28 after the effective date of this Act this Act governs all  
29 limited partnerships.

30 (c) With respect to a limited partnership formed before the  
31 effective date of this Act, the following rules apply except as  
32 the partners otherwise elect in the manner provided in the

1 partnership agreement or by law for amending the partnership  
2 agreement:

3 (1) Section 104(c) does not apply and the limited  
4 partnership has whatever duration it had under the law  
5 applicable immediately before the effective date of this  
6 Act.

7 (2) The limited partnership is not required to amend  
8 its certificate of limited partnership to comply with  
9 Section 201(a)(4).

10 (3) Sections 601 and 602 do not apply and a limited  
11 partner has the same right and power to dissociate from the  
12 limited partnership, with the same consequences, as  
13 existed immediately before the effective date of this Act.

14 (4) Section 603(4) does not apply.

15 (5) Section 603(5) does not apply and a court has the  
16 same power to expel a general partner as the court had  
17 immediately before the effective date of this Act.

18 (6) Section 801(3) does not apply and the connection  
19 between a person's dissociation as a general partner and  
20 the dissolution of the limited partnership is the same as  
21 existed immediately before the effective date of this Act.

22 (d) With respect to a limited partnership that elects  
23 pursuant to subsection (a)(2) to be subject to this Act, after  
24 the election takes effect the provisions of this Act relating  
25 to the liability of the limited partnership's general partners  
26 to third parties apply:

27 (1) before the effective date of this Act, to:

28 (A) a third party that had not done business with  
29 the limited partnership in the year before the election  
30 took effect; and

31 (B) a third party that had done business with the  
32 limited partnership in the year before the election  
33 took effect only if the third party knows or has  
34 received a notification of the election; and

35 (2) on and after the effective date of this Act, to all  
36 third parties, but those provisions remain inapplicable to

1 any obligation incurred while those provisions were  
2 inapplicable under paragraph (1) (B).

3 Section 1207. Savings clause. This Act does not affect an  
4 action commenced, proceeding brought, or right accrued before  
5 this Act takes effect.

6 Section 1207.1. The Criminal Code of 1961 is amended by  
7 changing Section 17-12 as follows:

8 (720 ILCS 5/17-12)

9 Sec. 17-12. Fraudulent advertisement of corporate name. If  
10 a company, association, or person puts forth a sign or  
11 advertisement and assumes, for the purpose of soliciting  
12 business, a corporate name, not being incorporated, the  
13 company, association, or person commits a petty offense and is  
14 guilty of an additional petty offense for each day he, she, or  
15 it continues to so offend.

16 Nothing contained in this Section prohibits a corporation,  
17 company, association, or person from using a divisional  
18 designation or trade name in conjunction with its corporate  
19 name or assumed name under Section 4.05 of the Business  
20 Corporation Act of 1983 or, if it is a member of a partnership  
21 or joint venture, from doing partnership or joint venture  
22 business under the partnership or joint venture name. The name  
23 under which the joint venture or partnership does business may  
24 differ from the names of the members. Business may not be  
25 conducted or transacted under that joint venture or partnership  
26 name, however, unless all provisions of the Assumed Business  
27 Name Act have been complied with. Nothing in this Section  
28 permits a foreign corporation to do business in this State  
29 without complying with all Illinois laws regulating the doing  
30 of business by foreign corporations. No foreign corporation may  
31 conduct or transact business in this State as a member of a  
32 partnership or joint venture that violates any Illinois law  
33 regulating or pertaining to the doing of business by foreign

1 corporations in Illinois.

2 The provisions of this Section do not apply to limited  
3 partnerships formed under the Revised Uniform Limited  
4 Partnership Act or under the Uniform Limited Partnership Act  
5 (2001).

6 (Source: P.A. 89-234, eff. 1-1-96; 89-626, eff. 8-9-96.)

7 Section 1207.2. The Limited Liability Company Act is  
8 amended by changing Section 37-5 as follows:

9 (805 ILCS 180/37-5)

10 Sec. 37-5. Definitions. In this Article:

11 "Corporation" means (i) a corporation under the Business  
12 Corporation Act of 1983, a predecessor law, or comparable law  
13 of another jurisdiction or (ii) a bank or savings bank.

14 "General partner" means a partner in a partnership and a  
15 general partner in a limited partnership.

16 "Limited partner" means a limited partner in a limited  
17 partnership.

18 "Limited partnership" means a limited partnership created  
19 under the ~~Revised~~ Uniform Limited Partnership Act (2001), a  
20 predecessor law, or comparable law of another jurisdiction.

21 "Partner" includes a general partner and a limited partner.

22 "Partnership" means a general partnership under the  
23 Uniform Partnership Act, a predecessor law, or comparable law  
24 of another jurisdiction.

25 "Partnership agreement" means an agreement among the  
26 partners concerning the partnership or limited partnership.

27 "Shareholder" means a shareholder in a corporation.

28 (Source: P.A. 93-561, eff. 1-1-04.)

29 Section 1207.3. The Uniform Partnership Act (1997) is  
30 amended by changing Sections 901 and 902 as follows:

31 (805 ILCS 206/901)

32 Sec. 901. Definitions. In this Article:

1 (1) "General partner" means a partner in a partnership  
2 and a general partner in a limited partnership.

3 (2) "Limited partner" means a limited partner in a  
4 limited partnership.

5 (3) "Limited partnership" means a limited partnership  
6 created under the ~~Revised~~ Uniform Limited Partnership Act  
7 (2001), predecessor law, or comparable law of another  
8 jurisdiction.

9 (4) "Partner" includes both a general partner and a  
10 limited partner.

11 (Source: P.A. 92-740, eff. 1-1-03.)

12 (805 ILCS 206/902)

13 Sec. 902. Conversion of partnership to limited  
14 partnership.

15 (a) A partnership may be converted to a limited partnership  
16 pursuant to this Section.

17 (b) The terms and conditions of a conversion of a  
18 partnership to a limited partnership must be approved by all of  
19 the partners or by a number or percentage specified for  
20 conversion in the partnership agreement.

21 (c) After the conversion is approved by the partners, the  
22 partnership shall file a certificate of limited partnership in  
23 the jurisdiction in which the limited partnership is to be  
24 formed. The certificate must include:

25 (1) a statement that the partnership was converted to a  
26 limited partnership from a partnership;

27 (2) its former name; and

28 (3) a statement of the number of votes cast by the  
29 partners for and against the conversion and, if the vote is  
30 less than unanimous, the number or percentage required to  
31 approve the conversion under the partnership agreement.

32 (d) The conversion takes effect when the certificate of  
33 limited partnership is filed or at any later date specified in  
34 the certificate.

35 (e) A general partner who becomes a limited partner as a

1 result of the conversion remains liable as a general partner  
2 for an obligation incurred by the partnership before the  
3 conversion takes effect. If the other party to a transaction  
4 with the limited partnership reasonably believes when entering  
5 the transaction that the limited partner is a general partner,  
6 the limited partner is liable for an obligation incurred by the  
7 limited partnership within 90 days after the conversion takes  
8 effect. The limited partner's liability for all other  
9 obligations of the limited partnership incurred after the  
10 conversion takes effect is that of a limited partner as  
11 provided in the ~~Revised~~ Uniform Limited Partnership Act (2001).  
12 (Source: P.A. 92-740, eff. 1-1-03.)