

OKLAHOMA STATE SENATE
CONFERENCE
COMMITTEE REPORT

May 12, 2009

Mr. President:

Mr. Speaker:

The Conference Committee, to which was referred

SB 1132

By: Anderson and Ivester of the Senate and Sherrer of the House

Title: Partnership; creating the Uniform Limited Partnership Act of 2009. Effective date.

together with Engrossed House Amendments thereto, beg leave to report that we have had the same under consideration and herewith return the same with the following recommendations:

1. That the Senate accept the House Amendment.
2. That the following Conference Committee Amendment be adopted:
By restoring the enacting clause.
3. By restoring the title as follows:

"An Act relating to partnership; creating the Uniform Limited Partnership Act of 2009; providing short title; defining terms; providing what constitutes knowledge and notice; providing nature, purpose and duration of limited partnerships; providing powers; providing governing law and supplemental principles of law; providing interest rate if an obligation to pay interest arises; providing for name and reservation of name; providing effect of limited partnership agreements; providing nonwaivable provisions; requiring certain information to be maintained in the designated office of the limited partnership; authorizing certain business transactions between a partner and the limited partnership; authorizing a person to serve in dual capacity as both a general partner and a limited partner, subject to applicable obligations, duties and restrictions; requiring designation of office and agent for service of process; providing requirements for agent for service of process; providing method for change of designated office or agent for service of process; providing method for resignation of agent for service of process; providing duties of agent for service of process; providing that the Secretary of State shall act as agent for service of process in certain circumstances; providing procedure for service of process on Secretary of State; providing when service is effected; allowing actions requiring the consent of partners without a meeting; authorizing proxies; providing for formation of limited partnerships; requiring delivery of a certificate to the Secretary of State; providing contents of certificate; providing when the limited partnership is formed; providing which document prevails if there is inconsistency between the certificate and certain other documents; providing procedure for amendment or restatement of certificate and providing when amendment or restatement is effective; providing for statements of termination; providing requirements for signing of records; providing for signing and filing pursuant to judicial order; providing requirements for records delivered to the Secretary of State; providing duties of the Secretary of State on filing; providing for effective time and date of filed records; providing procedure for correcting filed record; providing for contents of a statement of correction; providing liability for false information in filed record; providing for certificates of existence or authorization; requiring certain annual reports to the Secretary of State; providing delivery dates; providing for corrected reports; providing methods for becoming a limited partner; providing that a limited partner does not have the right or power to act for or bind the limited partnership; providing that a limited partner is not liable for the obligations of the limited partnership; providing for access to certain information by limited partners and persons dissociated as limited partners; authorizing reasonable restrictions on the use of information; providing for copying costs; providing duties of limited partners; providing that person who erroneously believed self to be a limited partner is not liable for obligations of a business enterprise in certain circumstances and upon meeting certain conditions; providing for becoming a general partner; providing that general partner is agent for limited partnership and

that certain acts bind limited partnership; making limited partnership liable for certain actionable conduct of general partner; providing for liability of a general partner; providing for actions by and against a limited partnership and general partners; providing for management rights for general partners; providing for certain reimbursements and interest on loans; providing that general partner is not entitled to remuneration for services performed for the partnership; providing for right of general partners and former general partners to information; authorizing reasonable restrictions on the use of information; providing for copying costs; providing standards of conduct for general partners; providing forms of contribution by partners; providing for obligation of partner to contribute to the limited partnership; providing for compromise of obligation upon consent of all partners; providing rights of creditors; providing for sharing of distributions; providing for interim distributions in certain circumstances; providing that a person does not have right to distribution because of dissociation; providing for right of persons entitled to distribution; providing that distribution is subject to offset; providing limitations on distributions; providing for effect of distributions and indebtedness; providing liability for improper distributions; providing certain options to a general manager against whom an action has been commenced; providing statute of limitations on certain actions; providing for dissociation as a limited partner; providing that person does not have right to dissociate as a limited partner before the termination of the limited partnership; providing when dissociation occurs; providing effect of dissociation as a limited partner; providing for dissociation as a general partner; providing when dissociation occurs; providing power of person to dissociate as a general partner; providing what constitutes wrongful dissociation as a general partner; providing effect of dissociation as a general partner; providing for liability of limited partnership for acts of dissociated general partner; providing for liability of dissociated general partner; providing for transferable interests; providing that a transferable interest is personal property; allowing and providing effect of transfer of transferable interest; providing rights of transferee; providing rights retained by transferor; providing that a limited partnership does not have to give effect to the rights of the transferee in certain circumstances; providing that certain transfers are ineffective; providing for liability of transferee that becomes a partner with respect to a transferable interest; providing for rights of creditor of partner or transferee; providing exclusive remedy for judgment creditor; providing for power of estate of deceased partner; providing circumstances for nonjudicial dissolution; providing for judicial dissolution; providing for winding up activities after dissolution; providing acts occurring after dissolution which bind the limited partnership; providing liability of certain persons after dissolution; providing for known claims against a dissolved limited partnership; providing for notification of claimants; providing when claims are barred; providing for other claims against a dissolved limited partnership; providing for notice; providing requirements for notice; providing when claims are barred, with exceptions; providing for enforcement of claims not barred; providing that corresponding claims against certain persons are barred; providing for administrative dissolution by the Secretary of State in certain circumstances; providing procedure; providing that authority of agent for service of process does not terminate upon administrative dissolution; providing procedure for reinstatement following administrative dissolution; providing effect of reinstatement; providing procedure for appeal from denial of reinstatement; providing for distribution of assets of dissolved limited partnership; providing rules and procedure if the assets of a limited partnership are insufficient to satisfy all obligations; providing for liability of obligation of deceased individual; providing for enforcement of obligation by assignee; providing for foreign limited partnerships; specifying the laws that govern foreign limited partnerships; providing procedure for application for certificate of authority for a foreign limited partnership; providing requirements for application; providing activities by foreign limited partnership that do and do not constitute transacting business; providing that activities that do not constitute transacting business do not determine contacts or activities that subject a foreign limited partnership to service of process, taxation, or regulation under other law; providing for filing of certificate of authority; requiring foreign limited partnership that has a name that is not in compliance with the Uniform Limited Partnership Act of 2009 to adopt complying name; providing circumstances and procedure for revocation of certificate of authority of a foreign limited partnership; providing when authority of foreign limited partnership ceases; providing procedure for cancellation by a foreign limited partnership of its certificate of authority to transact business; providing when cancellation is effective; providing that failure to have a certificate of authority prevents a foreign limited partnership from maintaining an action or proceeding in this state but does not prevent a foreign limited partnership from defending an action or proceeding in this state; providing that failure to have a certificate of authority does not impair the validity of a contract or act of a foreign limited partnership; providing that the transaction of business in this state by a foreign limited partnership does not make a partner of a foreign limited partnership liable for the obligations of the foreign limited partnership; providing that the Secretary of State is the agent for a foreign limited partnership in certain circumstances; authorizing the Attorney General to maintain certain actions against foreign limited partnerships; providing for actions by partners; providing for direct actions and derivative actions; providing qualifications for a proper plaintiff; providing pleading requirements for derivative actions; providing for distribution of proceeds from a derivative action; authorizing the court to award the plaintiff certain expenses and fees in a derivative action; defining terms relating to conversion and merger; providing procedure for conversion of an organization to a limited partnership; providing requirements for plan of conversion; providing for amendment or abandonment of the plan; providing filings required for conversion; requiring delivery of filings to the Secretary of State; providing when conversion becomes effective; providing effect of conversion; authorizing certain mergers under certain conditions; providing requirements for plan of merger; providing for amendment or abandonment of the plan; providing filings required for merger; requiring delivery of filings to the Secretary of State; providing when

merger becomes effective; providing effect of merger; providing restrictions on approval or conversions and mergers and on relinquishing of limited liability limited partnership status; providing liability of general partner after conversion or merger; providing powers of general partners and persons dissociated as general partners to bind organization after conversion or merger; providing that method of conversion or merger provided for in the Uniform Limited Partnership Act of 2009 does not preclude conversion or merger under other law; providing for uniformity of application and construction; providing relationship to certain federal act; providing for application to existing relationships; providing for actions commenced, proceedings brought and rights accrued before effective date of the Uniform Limited Partnership Act of 2009; amending 18 O.S. 2001, Section 2005, as amended by Section 34, Chapter 255, O.S.L. 2004 (18 O.S. Supp. 2008, Section 2005), which relates to articles of organization, adding information for inclusion on certain articles; repealing Sections 171 through 277, Chapter 382, O.S.L. 2008 (54 O.S. Supp. 2008, Sections 500-101 through 500-1207), which relate to the Uniform Limited Partnership Act of 2008; providing for codification; and providing an effective date.”

Respectfully submitted,

SENATE CONFEREES

Anderson

Lamb

Coffee

Ivester

HOUSE CONFEREES

Sherrer

Hilliard

Lamons

Carey

Inman

Sullivan

Jordan

Joyner

Cox

McDaniel (Randy)

Faught

Senate Action _____ Date _____ House Action _____ Date _____