

OKLAHOMA STATE SENATE  
CONFERENCE  
COMMITTEE REPORT

May 15, 2009

**2<sup>nd</sup>**

Mr. President:

Mr. Speaker:

The Conference Committee, to which was rereferred

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.

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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 House recede from its Amendment.
2. 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; 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

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Anderson

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Lamb

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Coffee

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Ivester

HOUSE CONFEREES

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Sherrer

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Hilliard

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Lamons

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Carey

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Inman

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Sullivan

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Jordan

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Joyner

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Cox

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McDaniel (Randy)

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Faight

Senate Action \_\_\_\_\_ Date \_\_\_\_\_ House Action \_\_\_\_\_ Date \_\_\_\_\_