

No. 155

AN ACT

HB 61

Amending Title 59 (Partnerships) of the Pennsylvania Consolidated Statutes, adding provisions relating to partnerships and providing for the filing of certain documents in the Department of State.

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The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Title 59, act of November 25, 1970 (P.L.707, No.230), known as the Pennsylvania Consolidated Statutes, is amended by adding a title analysis and chapters to read:

TITLE 59 PARTNERSHIPS

Chapter

- 1. General Provisions (Reserved)
- 3. General Partnerships
- 5. Limited Partnerships

CHAPTER 1 GENERAL PROVISIONS (Reserved)

CHAPTER 3 GENERAL PARTNERSHIPS

Subchapter

- A. Preliminary Provisions
- B. Nature of a Partnership

- C. Relation of Partners to Persons Dealing With the Partnership
- D. Relations of Partners to One Another
- E. Property Rights of a Partner
- F. Dissolution and Winding Up

SUBCHAPTER A
PRELIMINARY PROVISIONS

Sec.

- 301. Short title of chapter.
- 302. Definitions.
- 303. "Knowledge" and "notice."
- 304. Rules of construction.
- 305. Rules for cases not provided for in chapter.

§ 301. Short title of chapter.

This chapter shall be known and may be cited as the "Uniform Partnership Act."

§ 302. Definitions.

The following words and phrases when used in this chapter shall have, unless the context clearly indicates otherwise, the meanings given to them in this section:

"Bankrupt." Includes bankrupt under the Federal Bankruptcy Act, or insolvent under any State insolvent act.

"Business." Includes every trade, occupation, or profession.

"Conveyance." Includes every assignment, lease, mortgage, or encumbrance.

"Court." Includes every court and judge having jurisdiction in the case.

"Real property." Includes land and any interest or estate in land.

§ 303. "Knowledge" and "notice."

(a) Knowledge.—A person has "knowledge" of a fact, within the meaning of this chapter, not only when he has actual knowledge thereof, but also when he has knowledge of such other facts as in the circumstances show bad faith.

(b) Notice.—A person has "notice" of a fact, within the meaning of this chapter, when the person who claims the benefit of the notice:

- (1) states the fact to such person; or
- (2) delivers through the mail, or by other means of communication, a written statement of the fact to such person or to a proper person at his place of business or residence.

§ 304. Rules of construction.

(a) Estoppel.—The law of estoppel shall apply under this chapter.

(b) Agency.—The law of agency shall apply under this chapter.

§ 305. Rules for cases not provided for in chapter.

In any case not provided for in this chapter the rules of law and equity, including the law merchant, shall govern.

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NATURE OF A PARTNERSHIP

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311. Partnership defined.

312. Rules for determining the existence of a partnership.

313. Partnership property.

§ 311. Partnership defined.

(a) General rule.—A partnership is an association of two or more persons to carry on as co-owners a business for profit.

(b) Exceptions.—Any association formed under any other statute of this Commonwealth, or any statute adopted by authority other than the authority of this Commonwealth, is not a partnership under this chapter, unless such association would have been a partnership in this Commonwealth prior to March 26, 1915; but this chapter shall apply to limited partnerships except in so far as the statutes relating to such partnerships are inconsistent herewith.

§ 312. Rules for determining the existence of a partnership.

In determining whether a partnership exists, these rules shall apply:

(1) Except as provided by section 328 (relating to partner by estoppel), persons who are not partners as to each other are not partners as to third persons.

(2) Joint tenancy, tenancy in common, tenancy by the entireties, joint property, common property, or part ownership does not of itself establish a partnership, whether such co-owners do or do not share any profits made by the use of the property.

(3) The sharing of gross returns does not of itself establish a partnership, whether or not the persons sharing them have a joint or common right or interest in any property from which the returns are derived.

(4) The receipt by a person of a share of the profits of a business is prima facie evidence that he is a partner in the business, but no such inference shall be drawn if such profits were received in payment:

(i) As a debt by installments or otherwise.

(ii) As wages of an employee or rent to a landlord.

(iii) As an annuity to a widow or representative of a deceased partner.

(iv) As interest on a loan, through the amount of payment vary with the profits of the business.

(v) As the consideration for the sale of the goodwill of a business or other property by installments or otherwise.

§ 313. Partnership property.

(a) General rule.—All property originally brought into the partnership stock or subsequently acquired, by purchase or otherwise, on account of the partnership, is partnership property.

(b) Acquisition with partnership funds.—Unless the contrary intention appears, property acquired with partnership funds is partnership property.

(c) Property in partnership name.—Any estate in real property may be acquired in the partnership name. Title so acquired can be conveyed only in the partnership name.

(d) Extent of interest acquired.—A conveyance to a partnership in the partnership name, though without words of inheritance, passes the entire estate of the grantor unless a contrary intent appears.

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§ 321. Partner agent of partnership as to partnership business.

(a) General rule.—Every partner is an agent of the partnership for the purpose of its business, and the act of every partner, including the execution in the partnership name of any instrument, for apparently carrying on in the usual way the business of the partnership of which he is a member, binds the partnership, unless the partner so acting has in fact no authority to act for the partnership in the particular matter, and the person with whom he is dealing has knowledge of the fact that he has no such authority.

(b) Absence of apparent authority.—An act of a partner which is not apparently for the carrying on of the business of the partnership in the usual way, does not bind the partnership unless authorized by the other partners.

(c) Limitations on authority of individual partners.—Unless authorized by the other partners, or unless they have abandoned the business, one or more but less than all the partners have no authority to:

- (1) Assign the partnership property in trust for creditors or on the promise of the assignee to pay the debts of the partnership.
- (2) Dispose of the goodwill of the business.
- (3) Do any other act which would make it impossible to carry on the ordinary business of a partnership.
- (4) Confess a judgment.
- (5) Submit a partnership claim or liability to arbitration or reference.

(d) Effect of knowledge of restriction.—No act of a partner in contravention of a restriction on his authority shall bind the partnership to persons having knowledge of the restriction.

§ 322. Conveyance of real property of the partnership.

(a) General rule.—Where title to real property is in the partnership name, any partner may convey title to such property by a conveyance executed in the partnership name; but the partnership may recover such property unless the act of the partner binds the partnership under the provisions of section 321 (a) (relating to partner agent of partnership as to partnership business), or unless such property has been conveyed by the grantee or a person claiming through such grantee to a holder for value, without knowledge that the partner, in making the conveyance, has exceeded his authority.

(b) Equitable ownership where partnership is record owner.—Where title to real property is in the name of the partnership, a conveyance executed by a partner, in his own name, passes the equitable interest of the partnership, if the act is one within the authority of the partner under the provisions of section 321 (a).

(c) Conveyance by record owners.—Where title to real property is in the name of one or more but not all the partners, and the record does not disclose the right of the partnership, the partners in whose name the title stands may convey title to such property; but the partnership may recover such property if the act of the partners does not bind the partnership under the provisions of section 321 (a), unless the purchaser or his assignee is a holder for value, without knowledge.

(d) Equitable ownership where partnership is not record owner.—Where the title to real property is in the name of one or more or all the partners, or in a third person in trust for the partnership, a conveyance executed by a partner in the partnership name, or in his own name, passes the equitable interest of the partnership, if the act is one within the authority of the partner under the provisions of section 321 (a).

(e) Effect of conveyance by all partners.—Where the title to real property is in the names of all the partners, a conveyance executed by all the partners passes all their rights in such property.

§ 323. Admissions or representations by partner.

An admission or representation made by any partner concerning partnership affairs within the scope of his authority as conferred by this chapter is evidence against the partnership.

§ 324. Partnership charged with knowledge of or notice to partner.

Notice to any partner of any matter relating to partnership affairs, and the knowledge of the partner acting in the particular matter, acquired while a partner or then present to his mind, and the knowledge of any other partner who reasonably could and should have communicated it to the acting partner, operate as notice to or

knowledge of the partnership, except in the case of a fraud on the partnership committed by or with the consent of that partner.

§ 325. Wrongful act of partner.

Where, by any wrongful act or omission of any partner acting in the ordinary course of the business of the partnership, or with the authority of his co-partners, loss or injury is caused to any person, not being a partner in the partnership, or any penalty is incurred, the partnership is liable therefor to the same extent as the partner so acting or omitting to act.

§ 326. Breach of trust by partner.

The partnership is bound to make good the loss:

(1) Where one partner, acting within the scope of his apparent authority, receives money or property of a third person and misapplies it.

(2) Where the partnership in the course of its business receives money or property of a third person, and the money or property so received is misapplied by any partner while it is in the custody of the partnership.

§ 327. Nature of liability of partner.

All partners are liable:

(1) Jointly and severally, for everything chargeable to the partnership under section 325 (relating to wrongful act of partner) and section 326 (relating to breach of trust by partner).

(2) Jointly, for all other debts and obligations of the partnership; but any partner may enter into a separate obligation to perform a partnership contract.

§ 328. Partner by estoppel.

(a) General rule.—

(1) When a person, by words spoken or written or by conduct, represents himself, or consents to another representing him to any one, as a partner in an existing partnership or with one or more persons not actual partners, he is liable to any such person to whom such representation has been made, who has, on the faith of such representation, given credit to the actual or apparent partnership, and if he has made such representation or consented to its being made in a public manner he is liable to such person, whether the representation has or has not been made or communicated to such person so giving credit by or with the knowledge of the apparent partner making the representation or consenting to its being made.

(2) When a partnership liability results, he is liable as though he were an actual member of the partnership.

(3) When no partnership liability results, he is liable jointly with the other persons, if any, so consenting to the contract or representation as to incur liability, otherwise separately.

(b) Authority as representative.—When a person has been thus represented to be a partner in an existing partnership, or with one or

more persons not actual partners, he is an agent of the persons consenting to such representation to bind them to the same extent and in the same manner as though he were a partner in fact, with respect to persons who rely upon the representation. Where all the members of the existing partnership consent to the representation, a partnership act or obligation results; but in all other cases it is the joint act or obligation of the person acting and the persons consenting to the representation.

§ 329. Liability of incoming partner.

A person admitted as a partner into an existing partnership is liable for all the obligations of the partnership arising before his admission, as though he had been a partner when such obligations were incurred, except that this liability shall be satisfied only out of partnership property.

SUBCHAPTER D
RELATIONS OF PARTNERS TO ONE ANOTHER

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§ 331. Rules determining rights and duties of partners.

The rights and duties of the partners in relation to the partnership shall be determined, subject to any agreement between them, by the following rules:

(1) Each partner shall be repaid his contributions, whether by way of capital or advances to the partnership property, and share equally in the profits and surplus remaining after all liabilities, including those to partners, are satisfied; and must contribute towards the losses, whether of capital or otherwise, sustained by the partnership, according to his share in the profits.

(2) The partnership must indemnify every partner in respect of payments made and personal liabilities reasonably incurred by him in the ordinary and proper conduct of its business, or for the preservation of its business or property.

(3) A partner who, in aid of the partnership, makes any payment or advance beyond the amount of capital which he agreed to contribute, shall be paid interest from the date of the payment or advance.

(4) A partner shall receive interest on the capital contributed by him only from the date when repayment should be made.

(5) All partners have equal rights in the management and conduct of the partnership business.

(6) No partner is entitled to remuneration for acting in the partnership business, except that a surviving partner is entitled to reasonable compensation for his services in winding up the partnership affairs.

(7) No person can become a member of a partnership without the consent of all the partners.

(8) Any difference arising as to ordinary matters connected with the partnership business may be decided by a majority of the partners; but no act in contravention of any agreement between the partners may be done rightfully without the consent of all the partners.

§ 332. Partnership books.

The partnership books shall be kept, subject to any agreement between the partners, at the principal place of business of the partnership, and every partner shall at all times have access to and may inspect and copy any of them.

§ 333. Duty to render information.

Partners shall render on demand true and full information of all things affecting the partnership to any partner, or the legal representative of any deceased partner, or partner under legal disability.

§ 334. Partner accountable as fiduciary.

(a) General rule.—Every partner must account to the partnership for any benefit, and hold as trustee for it any profits derived by him without the consent of the other partners from any transaction connected with the formation, conduct, or liquidation of the partnership, or from any use by him of its property.

(b) Personal representative.—Subsection (a) applies also to the representatives of a deceased partner, engaged in the liquidation of the affairs of the partnership as the personal representatives of the last surviving partner.

§ 335. Right of partner to an account.

Any partner shall have the right to a formal account as to the partnership affairs:

(1) If he is wrongfully excluded from the partnership business or possession of its property by his co-partners.

(2) If the right exists under the terms of any agreement.

(3) As provided by section 334 (relating to partner accountable as fiduciary).

(4) Whenever other circumstances render it just and reasonable.

§ 336. Continuation of partnership beyond fixed term.

(a) General rule.—When a partnership for a fixed term or particular undertaking is continued after the termination of such term or particular undertaking without any express agreement, the rights and duties of the partners remain the same as they were at such termination, so far as is consistent with a partnership at will.

(b) Effect of continuation of business.—A continuation of the business by the partners or such of them as habitually acted therein during the term, without any settlement or liquidation of the partnership affairs, is prima facie evidence of a continuation of the partnership.

SUBCHAPTER E PROPERTY RIGHTS OF A PARTNER

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§ 341. Extent of property rights of partner.

The property rights of a partner are:

- (1) His rights in specific partnership property.
 - (2) His interest in the partnership.
 - (3) His right to participate in the management.
- § 342. Nature of right of partner in specific partnership property.
- (a) General rule.—A partner is co-owner with his partners of specific partnership property, holding as a tenant in partnership.
 - (b) Incidents of tenancy.—The incidents of this tenancy are such that:

(1) A partner, subject to the provisions of this chapter and to any agreement between the partners, has an equal right with his partners to possess specific partnership property for partnership purposes; but he has no right to possess such property for any other purpose without the consent of his partners.

(2) The right of a partner in specific partnership property is not assignable, except in connection with the assignment of the rights of all partners in the same property.

(3) The right of a partner in specific partnership property is not subject to attachment or execution, except on a claim against the partnership. When partnership property is attached for a partnership debt the partners, or any of them, or the representatives of a deceased partner, cannot claim any right under the homestead or exemption laws.

(4) On the death of a partner his right in specific partnership property vests in the surviving partner or partners, except where the deceased was the last surviving partner, when his right in such property vests in his legal representative. Such surviving partner or partners, or the legal representative of the last surviving partner, has no right to possess the partnership property for any but a partnership purpose.

(5) The right of a partner in specific partnership property is not subject to dower, curtesy, or allowances to widows, heirs, or next of kin.

§ 343. Nature of interest of partner in partnership.

The interest of a partner in the partnership is his share of the profits and surplus and such interest is personal property.

§ 344. Assignment of interest of partner.

(a) General rule.—A conveyance by a partner of his interest in the partnership does not of itself dissolve the partnership, nor, as against the other partners in the absence of agreement, entitle the assignee, during the continuance of the partnership, to interfere in the management or administration of the partnership business or affairs, or to require any information or account of partnership transactions, or to inspect the partnership books; but it merely entitles the assignee to receive, in accordance with his contract, the profits to which the assigning partner would otherwise be entitled.

(b) Dissolution.—In case of a dissolution of the partnership, the assignee is entitled to receive the interest of his assignor, and may require an account from the date only of the last account agreed to by all the partners.

§ 345. Interest of partner subject to charging order.

(a) General rule.—On due application to a competent court by any judgment creditor of a partner, the court which entered the judgment, order, or decree, or any other court, may charge the interest of the debtor partner with payment of the unsatisfied amount of such judgment debt with interest thereon; and may then or later appoint a receiver of his share of the profits, and of any other money due or to fall due to him in respect of the partnership, and make all other orders, directions, accounts and inquiries which the debtor partner might have made, or which the circumstances of the case may require.

(b) Redemption.—The interest charged may be redeemed at any time before foreclosure, or in case of a sale being directed by the court may be purchased without thereby causing a dissolution:

(1) with separate property, by any one or more of the partners; or

(2) with partnership property, by any one or more of the partners with the consent of all the partners whose interests are not so charged or sold.

(c) Exemptions unaffected.—Nothing in this chapter shall be held to deprive a partner of his right, if any, under the exemption laws, as regards his interest in the partnership.

SUBCHAPTER F DISSOLUTION AND WINDING UP

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§ 351. "Dissolution" defined.

The dissolution of a partnership is the change in the relation of the partners caused by any partner ceasing to be associated in the carrying on, as distinguished from the winding up, of the business.

§ 352. Partnership continued for winding up affairs.

On dissolution the partnership is not terminated, but continues until the winding up of partnership affairs is completed.

§ 353. Causes of dissolution.

Dissolution is caused:

- (1) Without violation of the agreement between the partners:
 - (i) By the termination of the definite term or particular undertaking specified in the agreement.
 - (ii) By the express will of any partner when no definite term or particular undertaking is specified.
 - (iii) By the express will of all the partners who have not assigned their interests or suffered them to be charged for their separate debts, either before or after the termination of any specified term or particular undertaking.
 - (iv) By the expulsion of any partner from the business bona fide in accordance with such a power conferred by the agreement between the partners.
- (2) In contravention of the agreement between the partners, where the circumstances do not permit a dissolution under any other provision of this section, by the express will of any partner at any time.
- (3) By any event which makes it unlawful for the business of the partnership to be carried on, or for the members to carry it on in partnership.
- (4) By the death of any partner.
- (5) By the bankruptcy of any partner or the partnership.
- (6) By decree of court under section 354 (relating to dissolution by decree of court).

§ 354. Dissolution by decree of court.

(a) General rule.—On application by or for a partner the court shall decree a dissolution whenever:

(1) A partner has been declared a lunatic in any judicial proceeding or is shown to be of unsound mind.

(2) A partner becomes in any other way incapable of performing his part of the partnership contract.

(3) A partner has been guilty of such conduct as tends to affect prejudicially the carrying on of the business.

(4) A partner wilfully or persistently commits a breach of the partnership agreement, or otherwise so conducts himself in matters relating to the partnership business that it is not reasonably practicable to carry on the business in partnership with him.

(5) The business of the partnership can only be carried on at a loss.

(6) Other circumstances render a dissolution equitable.

(b) Right of purchaser of interest.—On the application of the purchaser of the interest of a partner under section 344 (relating to assignment of interest of partner) or section 345 (relating to interest of partner subject to charging order):

(1) After the termination of the specified term or particular undertaking.

(2) At any time if the partnership was a partnership at will when the interest was assigned or when the charging order was issued.

§ 355. Effect of dissolution on authority of partner.

Except so far as may be necessary to wind up partnership affairs, or to complete transactions begun but not then finished, dissolution terminates all authority of any partner to act for the partnership:

(1) With respect to the partners:

(i) when the dissolution is not by the act, bankruptcy, or death of a partner; or

(ii) when the dissolution is by such act, bankruptcy, or death of a partner, in cases where section 356 (relating to right of partner to contribution from co-partners) so requires.

(2) With respect to persons not partners, as declared in section 357 (relating to power of partner to bind partnership to third persons).

§ 356. Right of partner to contribution from co-partners.

Where the dissolution is caused by the act, death, or bankruptcy of a partner, each partner is liable to his co-partners for his share of any liability created by any partner acting for the partnership as if the partnership had not been dissolved, unless:

(1) the dissolution being by act of any partner the partner acting for the partnership had knowledge of the dissolution; or

(2) the dissolution being by the death or bankruptcy of a partner, the partner acting for the partnership had knowledge or notice of the death or bankruptcy.

§ 357. Power of partner to bind partnership to third persons.

(a) General rule.—After dissolution a partner can bind the partnership, except as provided in subsection (c):

(1) By any act appropriate for winding up partnership affairs, or completing transactions unfinished at dissolution.

(2) By any transaction which would bind the partnership if dissolution had not taken place, if the other party to the transaction:

(i) had extended credit to the partnership prior to dissolution, and had no knowledge or notice of the dissolution; or,

(ii) though he had not so extended credit, had nevertheless known of the partnership prior to dissolution, and having no knowledge or notice of dissolution, and the fact of dissolution had not been advertised in a newspaper of general circulation in the place (or in each place, if more than one,) at which the partnership business was regularly carried on, and in the legal periodical, if any, designated by rule of court in such place or places for the publication of legal notices.

(b) Use of partnership assets.—The liability of a partner under subsection (a) (2) shall be satisfied out of partnership assets alone, when such partner had been, prior to dissolution:

(1) unknown as a partner to the persons with whom the contract is made; and

(2) so far unknown and inactive in partnership affairs that the business reputation of the partnership could not be said to have been in any degree due to his connection with it.

(c) Restrictions on post dissolution authority of partner.—The partnership is in no case bound by any act of a partner after dissolution:

(1) where the partnership is dissolved because it is unlawful to carry on the business, unless the act is appropriate for winding up partnership affairs;

(2) where the partner has become bankrupt; or

(3) where the partner has no authority to wind up partnership affairs, except by a transaction with one who:

(i) had extended credit to the partnership prior to dissolution, and had no knowledge or notice of his want of authority; or

(ii) had not extended credit to the partnership prior to dissolution, and, having no knowledge or notice of his want of authority, and the fact of his want of authority has not been advertised in the manner provided for advertising the fact of dissolution in subsection (a) (2) (ii).

(d) Partner by estoppel.—Nothing in this section shall affect the liability, under section 328 (relating to partner by estoppel), of any person who, after dissolution, represents himself, or consents to another representing him, as a partner in a partnership engaged in carrying on business.

§ 358. Effect of dissolution on existing liability of partner.

(a) General rule.—The dissolution of the partnership does not of itself discharge the existing liability of any partner.

(b) Agreement.—A partner is discharged from any existing liability upon dissolution of the partnership by an agreement to that effect between himself, the partnership creditor, and the person or partnership continuing the business; and such agreement may be inferred from the course of dealing between the creditor having knowledge of the dissolution and the person or partnership continuing the business.

(c) Assumption of obligation.—Where a person agrees to assume the existing obligations of a dissolved partnership, the partners whose obligations have been assumed shall be discharged from any liability to any creditor of the partnership who, knowing of the agreement, consents to a material alteration in the nature or time of payment of such obligations.

(d) Individual property.—The individual property of a deceased partner shall be liable for all obligations of the partnership incurred while he was a partner, but subject to the prior payment of his separate debts.

§ 359. Right to wind up affairs.

Unless otherwise agreed the partners who have not wrongfully dissolved the partnership, or the legal representative of the last surviving partner, not bankrupt, has the right to wind up the partnership affairs; except that any partner, his legal representative, or his assignee, upon cause shown, may obtain winding up by the court.

§ 360. Rights of partners to application of partnership property.

(a) General rule.—When dissolution is caused in any way, except in contravention of the partnership agreement, each partner, as against his co-partners and all persons claiming through them in respect of their interests in the partnership, unless otherwise agreed, may have the partnership property applied to discharge its liabilities, and the surplus applied to pay in cash the net amount owing to the respective partners. But if dissolution is caused by expulsion of a partner, bona fide under the partnership agreement, and if the expelled partner is discharged from all partnership liabilities, either by payment or agreement under section 358 (b) (relating to effect of dissolution on existing liability of partner), he shall receive in cash only the net amount due him from the partnership.

(b) Dissolution in contravention of agreement.—When dissolution is caused in contravention of the partnership agreement the rights of the partners shall be as follows:

(1) Each partner who has not caused dissolution wrongfully shall have:

(i) All the rights specified in subsection (a).

(ii) The right, as against each partner who has caused the dissolution wrongfully, to damages for breach of the agreement.

(2) The partners who have not caused the dissolution wrongfully, if they all desire to continue the business in the same name, either by themselves or jointly with others, may do so, during the agreed term for the partnership, and for that purpose may possess the partnership property, if they secure the payment by bond approved by the court, or pay to any partner who has caused the dissolution wrongfully, the value of his interest in the partnership at the dissolution, less any damages recoverable under paragraph (1) (ii), and in like manner indemnify him against all present or future partnership liabilities.

(3) A partner who has caused the dissolution wrongfully shall have:

(i) If the business is not continued under the provisions of paragraph (2), all the rights of a partner under subsection (a) subject to paragraph (1) (ii).

(ii) If the business is continued under paragraph (2), the right, as against his co-partners and all claiming through them in respect of their interests in the partnership, to have the value of his interest in the partnership, less any damages caused to his co-partners by the dissolution, ascertained and paid to him in cash, or the payment secured by bond approved by the court, and to be released from all existing liabilities of the partnership; but in ascertaining the value of the interest of the partner the value of the goodwill of the business shall not be considered.

§ 361. Rights after dissolution for fraud or misrepresentation.

Where a partnership contract is rescinded on the ground of the fraud or misrepresentation of one of the parties thereto, the party entitled to rescind is, without prejudice to any other right, entitled:

(1) To a lien on, or right of retention of, the surplus of the partnership property, after satisfying the partnership liabilities to third persons, for any sum of money paid by him for the purchase of an interest in the partnership and for any capital or advances contributed by him.

(2) To stand, after all liabilities to third persons have been satisfied, in the place of the creditors of the partnership for any payments made by him in respect of the partnership liabilities.

(3) To be indemnified by the person guilty of the fraud or making the representation against all debts and liabilities of the partnership.

§ 362. Rules for distribution.

In settling accounts between the partners after dissolution, the following rules shall be observed, subject to any agreement to the contrary:

(1) The assets of the partnership are:

(i) The partnership property.

(ii) The contributions of the partners necessary for the payment of all the liabilities specified in paragraph (2).

(2) The liabilities of the partnership shall rank, in order of payment, as follows:

- (i) Those owing to creditors other than partners.
- (ii) Those owing to partners other than for capital and profits.
- (iii) Those owing to partners in respect of capital.
- (iv) Those owing to partners in respect of profits.

(3) The assets shall be applied, in order of their declaration in paragraph (1) to the satisfaction of the liabilities.

(4) The partners shall contribute, as provided by section 331 (1) (relating to rules determining rights and duties of partners), the amount necessary to satisfy the liabilities; but if any, but not all, of the partners are insolvent, or, not being subject to process, refuse to contribute, the other partners shall contribute their share of the liabilities, and, in the relative proportions in which they share the profits, the additional amount necessary to pay the liabilities.

(5) An assignee for the benefit of creditors, or any person appointed by the court, shall have the right to enforce the contributions specified in paragraph (4).

(6) Any partner or his legal representative shall have the right to enforce the contributions specified in paragraph (4), to the extent of the amount which he has paid in excess of his share of the liability.

(7) The individual property of a deceased partner shall be liable for the contributions specified in paragraph (4).

(8) When partnership property and the individual properties of the partners are in the possession of a court for distribution, partnership creditors shall have priority on partnership property, and separate creditors on individual property, saving the rights of lien or secured creditors as heretofore.

(9) Where a partner has become bankrupt or his estate is insolvent the claims against his separate property shall rank in the following order:

- (i) Those owing to separate creditors.
- (ii) Those owing to partnership creditors.
- (iii) Those owing to partners by way of contribution.

§ 363. Liability of persons continuing the business.

(a) Admission or retirement of a partner.—When any new partner is admitted into an existing partnership, or when any partner retires and assigns (or the representative of the deceased partner assigns) his rights in partnership property to two or more of the partners, or to one or more of the partners and one or more third persons, if the business is continued without liquidation of the partnership affairs, creditors of the first or dissolved partnership are also creditors of the partnership so continuing the business.

(b) Retirement of all but one partner.—When all but one partner retire and assign (or the representative of a deceased partner assigns)

their rights in partnership property to the remaining partner, who continues the business without liquidation of partnership affairs, either alone or with others, creditors of the dissolved partnership are also creditors of the person or partnership so continuing the business.

(c) Retirement or death without assignment of rights.—When any partner retires or dies, and the business of the dissolved partnership is continued as set forth in subsections (a) and (b), with the consent of the retired partners or the representative of the deceased partner, but without any assignment of his right in partnership property, rights of creditors of the dissolved partnership and of the creditors of the person or partnership continuing the business shall be as if such assignment had been made.

(d) Assignment of rights of all partners.—When all the partners or their representatives assign their rights in partnership property to one or more third persons who promise to pay the debts, and who continue the business of the dissolved partnership, creditors of the dissolved partnership are also creditors of the person or partnership continuing the business.

(e) Wrongful dissolution by partner.—When any partner wrongfully causes a dissolution, and the remaining partners continue the business under the provisions of section 360 (b) (2) (relating to dissolution in contravention of agreement), either alone or with others, and without liquidation of the partnership affairs, creditors of the dissolved partnership are also creditors of the person or partnership continuing the business.

(f) Expulsion of partner.—When a partner is expelled, and the remaining partners continue the business, either alone or with others, without liquidation of the partnership affairs, creditors of the dissolved partnership are also creditors of the person or partnership continuing the business.

(g) Limitation or liability of new partner.—The liability of a third person, becoming a partner in the partnership continuing the business, under this section, to the creditors of the dissolved partnership, shall be satisfied out of partnership property only.

(h) Priority of claims of creditors.—When the business of a partnership after dissolution is continued under any conditions set forth in this section, the creditors of the dissolved partnership, as against the separate creditors of the retiring or deceased partner or the representative of the deceased partner, have a prior right to any claim of the retired partner or the representative of the deceased partner against the person or partnership continuing the business, on account of the interest of the retired or deceased partner in the dissolved partnership or on account of any consideration promised for such interest or for his right in partnership property.

(i) Setting aside assignment for fraud.—Nothing in this section shall be held to modify any right of creditors to set aside any assignment on the ground of fraud.

(j) Effect of use of name of deceased partner.—The use by the person or partnership continuing the business of the partnership name, or the name of a deceased partner as part thereof, shall not of itself make the individual property of the deceased partner liable for any debts contracted by such person or partnership.

§ 364. Rights of retiring partner or estate of deceased partner when business is continued.

When any partner retires or dies, and the business is continued under any of the conditions set forth in section 360 (b) (2) (relating to dissolution in contravention of agreement) or section 363 (a), (b), (c), (e) and (f) (relating to liability of persons continuing the business), without any settlement of accounts as between him or his estate and the person or partnership continuing the business, unless otherwise agreed, he or his legal representative as against such persons or partnership may have the value of his interest at the date of dissolution ascertained, and shall receive as an ordinary creditor an amount equal to the value of his interest in the dissolved partnership with interest, or, at his option, or at the option of his legal representative, in lieu of interest, the profits attributable to the use of his right in the property of the dissolved partnership; except that the creditors of the dissolved partnership, as against the separate creditors, or the representative of the retired or deceased partner, shall have priority on any claim arising under this section, as provided by section 363 (h).

§ 365. Accrual of right to account.

The right to an account of his interest shall accrue to any partner, or his legal representative, as against the winding up partners or the surviving partners or the person or partnership continuing the business, at the date of dissolution, in the absence of any agreement to the contrary.

CHAPTER 5 LIMITED PARTNERSHIPS

Subchapter

- A. Preliminary Provisions
- B. Nature and Organization
- C. Rights and Liabilities of Parties
- D. General Provisions

SUBCHAPTER A PRELIMINARY PROVISIONS

Sec.

- 501. Short title of chapter.
- 502. Applicability of chapter to existing limited partnerships.
- 503. Rules for cases not provided for in this chapter.
- 504. Functions and powers of Department of State.

§ 501. Short title of chapter.

This chapter shall be known and may be cited as the "Uniform Limited Partnership Act."

§ 502. Applicability of chapter to existing limited partnerships.

Limited partnerships formed under the former provisions of the following statutes shall be governed by this chapter:

(1) Act of March 21, 1836 (P.L.143, No.51), relating to limited partnerships.

(2) Act of April 12, 1917 (P.L.55, No.37), known as The Uniform Limited Partnership Act.

§ 503. Rules for cases not provided for in this chapter.

In any case not provided for in this chapter the rules of law and equity, including the law merchant, shall govern.

§ 504. Functions and powers of Department of State.

Subchapter B of Chapter 1 of Title 15 (relating to functions and powers of Department of State) shall be applicable to filings in the Department of State under this chapter.

SUBCHAPTER B NATURE AND ORGANIZATION

Sec.

511. Limited partnership defined.

512. Formation.

513. Business which may be carried on.

514. Character of contribution of limited partner.

515. A name not to contain surname of limited partner; exceptions.

516. Liability for false statements in certificate.

§ 511. Limited partnership defined.

A limited partnership is a partnership formed by two or more persons under the provisions of section 512 (relating to formation), having as members one or more general partners and one or more limited partners. The limited partners as such shall not be bound by the obligations of the partnership.

§ 512. Formation.

(a) General rule.—Two or more persons desiring to form a limited partnership shall:

(1) Sign a certificate, which shall state:

(i) The name of the partnership.

(ii) The character of the business.

(iii) The location of the principal place of business.

(iv) The name and place of residence of each member, general and limited partners being respectively designated.

(v) The term for which the partnership is to exist.

(vi) The amount of cash and a description of and the agreed value of the other property contributed by each limited partner.

(vii) The additional contributions, if any, agreed to be made by each limited partner, and the times at which or events on the happening of which they shall be made.

(viii) The time, if agreed upon, when the contribution of each limited partner is to be returned.

(ix) The share of the profits or the other compensation by way of income which each limited partner shall receive by reason of his contribution.

(x) The right, if given, of a limited partner to substitute an assignee as contributor in his place, and the terms and conditions of the substitution.

(xi) The right, if given, of the partners to admit additional limited partners.

(xii) The right, if given, of one or more of the limited partners to priority over other limited partners, as to contributions or as to compensation by way of income and the nature of such priority.

(xiii) The right, if given, of the remaining general partner or partners to continue the business on the death, retirement, or insanity of a general partner.

(xiv) The right, if given, of a limited partner to demand and receive property other than cash in return for his contribution.

(2) File the certificate in the Department of State.

(b) Substantial compliance.—A limited partnership is formed if there has been substantial compliance in good faith with the requirements of subsection (a) or the corresponding provisions of prior law.

(c) Duties of recorders of deeds.—Each recorder of deeds shall continue to keep open for public inspection the record of limited partnership certificates recorded under the statutes supplied by this chapter.

§ 513. Business which may be carried on.

A limited partnership may carry on any business which a partnership without limited partners may carry on.

§ 514. Character of contribution of limited partner.

The contribution of a limited partner may be cash or other property, but not services.

§ 515. A name not to contain surname of limited partner; exceptions.

(a) General rule.—The surname of a limited partner shall not appear in the partnership name, unless:

(1) it is also the surname of a general partner; or

(2) prior to the time when the limited partner became such, the business had been carried on under a name in which his surname appeared.

(b) Effect of violation.—A limited partner whose name appears in a partnership name contrary to the provisions of subsection (a) is liable as a general partner to partnership creditors who extend credit to the partnership without actual knowledge that he is not a general partner.

§ 516. Liability for false statements in certificate.

If the certificate contains a false statement, one who suffers loss by reliance on such statement may hold liable any party to the certificate who knew the statement to be false:

- (1) at the time he signed the certificate; or
- (2) subsequently, but within a sufficient time before the statement was relied upon to enable him to cancel or amend the certificate, or to file a petition for its cancellation or amendment as provided in section 543 (c) (relating to requirements for amendment and for cancellation of certificate).

SUBCHAPTER C
RIGHTS AND LIABILITIES OF PARTIES

Sec.

521. Limited partner not liable to creditors.
522. Admission of additional limited partners.
523. Rights, powers, and liabilities of a general partner.
524. Rights of a limited partner.
525. Status of person erroneously believing himself a limited partner.
526. One person both general and limited partner.
527. Loans and other business transactions with limited partner.
528. Relation of limited partners inter se.
529. Compensation of limited partner.
530. Withdrawal or reduction of contribution of limited partner.
531. Liability of limited partner to partnership.
532. Nature of interest of limited partner in partnership.
533. Assignment of interest of limited partner.
534. Effect of retirement, death, or insanity of a general partner.
535. Death of limited partner.
536. Rights of creditors of limited partner.

§ 521. Limited partner not liable to creditors.

A limited partner shall not become liable as a general partner unless, in addition to the exercise of his rights and powers as a limited partner, he takes part in the control of the business.

§ 522. Admission of additional limited partners.

After the formation of a limited partnership, additional limited partners may be admitted upon filing an amendment to the original certificate in accordance with the requirements of section 543 (relating to requirements for amendment and for cancellation of certificate).

§ 523. Rights, powers, and liabilities of a general partner.

A general partner shall have all the rights and powers, and be subject to all the restrictions and liabilities, of a partner in a partnership without limited partners, except that, without the written consent or ratification of the specific act by all the limited partners, a general partner or all of the general partners have no authority to:

- (1) Do any act in contravention of the certificate.
- (2) Do any act which would make it impossible to carry on the ordinary business of the partnership.
- (3) Confess a judgment against the partnership.
- (4) Possess partnership property, or assign their rights in specific partnership property, for other than a partnership purpose.
- (5) Admit a person as a general partner.
- (6) Admit a person as a limited partner, unless the right so to do is given in the certificate.
- (7) Continue the business with partnership property on the death, retirement, or insanity of a general partner, unless the right so to do is given in the certificate.

§ 524. Rights of a limited partner.

(a) General rule.—A limited partner shall have the same rights as a general partner to:

- (1) Have the partnership books kept at the principal place of business of the partnership, and at all times to inspect and copy any of them.
- (2) Have on demand true and full information of all things affecting the partnership, and a formal account of partnership affairs whenever circumstances render it just and reasonable.
- (3) Have dissolution and winding up by decree of court.

(b) Distributions.—A limited partner shall have the right to receive a share of the profits or other compensation by way of income, and to the return of his contribution as provided in section 529 (relating to compensation of limited partner) and section 530 (relating to withdrawal or reduction of contribution of limited partner).

§ 525. Status of person erroneously believing himself a limited partner.

A person who has contributed to the capital of a business conducted by a person or partnership, erroneously believing that he has become a limited partner in a limited partnership, is not, by reason of his exercise of the rights of a limited partner, a general partner with the person or in the partnership carrying on the business, or bound by the obligations of such person or partnership, if on ascertaining the mistake he promptly renounces his interest in the profits of the business, or other compensation by way of income.

§ 526. One person both general and limited partner.

(a) General rule.—A person may be a general partner and a limited partner in the same partnership at the same time.

(b) Effect.—A person who is a general and also, at the same time, a limited partner, shall have all the rights and powers and be subject to all the restrictions of a general partner; except that, in respect to his contribution, he shall have the rights against the other members which he would have had if he were not also a general partner.

§ 527. Loans and other business transactions with limited partner.

(a) General rule.—A limited partner also may loan money to and transact other business with the partnership, and, unless he is also a general partner, receive on account of resulting claims against the partnership, with general creditors, a pro rata share of the assets. No limited partner shall in respect to any such claim:

(1) Receive or hold as collateral security any partnership property.

(2) Receive from a general partner or the partnership any payment, conveyance, or release from liability, if at the time the assets of the partnership are not sufficient to discharge partnership liabilities to persons not claiming as general or limited partners.

(b) Effect of violation.—The receiving of collateral security, or a payment, conveyance, or release in violation of the provisions of subsection (a) is a fraud on the creditors of the partnership.

§ 528. Relation of limited partners inter se.

Where there are several limited partners the members may agree that one or more of the limited partners shall have priority over other limited partners as to the return of their contributions, as to their compensation by way of income, or as to any other matter. If such an agreement is made it shall be stated in the certificate, and in the absence of such a statement all the limited partners shall stand upon equal footing.

§ 529. Compensation of limited partner.

A limited partner may receive from the partnership the share of the profits or the compensation by way of income stipulated for in the certificate, if after such payment is made, whether from the property of the partnership or that of a general partner, the partnership assets are in excess of all liabilities of the partnership, except liabilities to limited partners on account of their contributions and to general partners.

§ 530. Withdrawal or reduction of contribution of limited partner.

(a) General rule.—A limited partner shall not receive from a general partner or out of partnership property any part of his contribution until:

(1) all liabilities of the partnership, except liabilities to general partners and to limited partners on account of their contributions, have been paid, or there remains property of the partnership sufficient to pay them;

(2) the consent of all members is had, unless the return of the contribution may be rightfully demanded under the provisions of subsection (b); and

(3) the certificate is cancelled or so amended as to set forth the withdrawal or reduction.

(b) Demand for return.—Subject to the provisions of subsection (a), a limited partner may rightfully demand the return of his contribution:

(1) on the dissolution of a partnership;

(2) when the date specified in the certificate for its return has arrived; or

(3) after he has given six months' notice in writing to all other members, if no time is specified in the certificate either for the return of the contribution or for the dissolution of the partnership.

(c) Cash distribution.—In the absence of any statement in the certificate to the contrary or the consent of all members, a limited partner, irrespective of the nature of his contribution, has only the right to demand and receive cash in return for his contribution.

(d) Dissolution.—A limited partner may have the partnership dissolved and its affairs wound up when:

(1) he rightfully but unsuccessfully demands the return of his contribution; or

(2) the other liabilities of the partnership have not been paid, or the partnership property is insufficient for their payment as required by subsection (a) (1), and the limited partner would otherwise be entitled to the return of his contribution.

§ 531. Liability of limited partner to partnership.

(a) General rule.—A limited partner is liable to the partnership:

(1) For the difference between his contribution as actually made and that stated in the certificate as having been made.

(2) For any unpaid contribution which he agreed in the certificate to make in the future at the time and on the conditions stated in the certificate.

(b) Limited partner as trustee.—A limited partner holds as trustee for the partnership:

(1) Specific property stated in the certificate as contributed by him, but which was not contributed or which has been wrongfully returned.

(2) Money or other property wrongfully paid or conveyed to him on account of his contribution.

(c) Waiver or compromise.—The liabilities of a limited partner as set forth in this section can be waived or compromised only by the consent of all members; but a waiver or compromise shall not affect the right of a creditor of a partnership, who extended credit or whose claim arose after the filing and before a cancellation or amendment of the certificate, to enforce such liabilities.

(d) Liability to return distribution.—When a limited partner has rightfully received the return in whole or in part of the capital of his contribution, he is nevertheless liable to the partnership for any sum, not in excess of such return with interest, necessary to discharge its liabilities to all creditors who extend credit or whose claims arose before such return.

§ 532. Nature of interest of limited partner in partnership.

The interest of a limited partner in the partnership is personal property.

§ 533. Assignment of interest of limited partner.

(a) General rule.—The interest of a limited partner is assignable.

(b) Substituted limited partner defined.—A substituted limited partner is a person admitted to all the rights of a limited partner who has died or has assigned his interest in a partnership.

(c) Rights of assignee other than substituted partner.—An assignee, who does not become a substituted limited partner, has no right to require any information or account of the partnership transactions, or to inspect the partnership books; he is only entitled to receive the share of the profits or other compensation by way of income, or the return of his contribution, to which his assignor would otherwise be entitled.

(d) Right of assignee to become substituted partner.—An assignee shall have the right to become a substituted limited partner if all the members (except the assignor) consent thereto, or if the assignor, being thereunto empowered by the certificate, gives the assignee that right.

(e) Amendment of certificate.—An assignee becomes a substituted limited partner when the certificate is appropriately amended in accordance with section 543 (relating to requirements for amendment and for cancellation of certificate).

(f) Rights and liabilities of substituted partner.—The substituted limited partner has all the rights and powers, and is subject to all the restrictions and liabilities, of his assignor, except those liabilities of which he was ignorant at the time he became a limited partner and which could not be ascertained from the certificate.

(g) Liability of assignor to partnership.—The substitution of the assignee as a limited partner does not release the assignor from liability to the partnership under section 516 (relating to liability for false statements in certificate) and section 531 (relating to liability of limited partner to partnership).

§ 534. Effect of retirement, death, or insanity of a general partner.

The retirement, death, or insanity of a general partner dissolves the partnership, unless the business is continued by the remaining general partners:

- (1) under a right so to do stated in the certificate; or
- (2) with the consent of all members.

§ 535. Death of limited partner.

(a) Rights and powers.—On the death of a limited partner, his executor or administrator shall have all the rights of a limited partner for the purpose of settling his estate, and such power as the deceased had to constitute his assignee a substituted limited partner.

(b) Liabilities.—The estate of a deceased limited partner shall be liable for all his liabilities as a limited partner.

§ 536. Rights of creditors of limited partner.

(a) Charging order.—On due application to a court of competent jurisdiction by any judgment creditor of a limited partner, the court may charge the interest of the indebted limited partner with payment of the

unsatisfied amount of the judgment debt; and may appoint a receiver, and make all other orders, directions, and inquiries which the circumstances of the case may require.

(b) Redemption.—The interest may be redeemed with the separate property of any general partner, but may not be redeemed with partnership property.

(c) Remedy nonexclusive.—The remedies conferred by subsection (a) shall not be deemed exclusive of others which may exist.

(d) Exemptions unaffected.—Nothing in this chapter shall be held to deprive a limited partner of his statutory exemption.

SUBCHAPTER D GENERAL PROVISIONS

Sec.

541. Distribution of assets.

542. When certificate shall be cancelled or amended.

543. Requirements for amendment and for cancellation of certificate.

544. Filing of certificate of summary of record by limited partnerships formed prior to 1976.

545. Parties to actions.

§ 541. Distribution of assets.

(a) General rule.—In settling accounts after dissolution the liabilities of the partnership shall be entitled to payment in the following order:

(1) Those to creditors, in the order of priority as provided by law, except those to limited partners on account of their contributions, and to general partners.

(2) Those to limited partners in respect to their share of the profits and other compensation by way of income on their contributions.

(3) Those to limited partners in respect to the capital of their contributions.

(4) Those to general partners other than for capital and profits.

(5) Those to general partners in respect to profits.

(6) Those to general partners in respect to capital.

(b) Respective rights of limited partners.—Subject to any statement in the certificate or to subsequent agreement, limited partners share in the partnership assets in respect to their claims for capital, and in respect to their claims for profits or for compensation by way of income on their contributions respectively, in proportion to the respective amounts of such claims.

§ 542. When certificate shall be cancelled or amended.

(a) Cancellation.—The certificate shall be cancelled when the partnership is dissolved or all limited partners cease to be such.

(b) Amendment.—A certificate shall be amended when:

(1) There is a change in the name of the partnership or in the amount or character of the contribution of any limited partner.

- (2) A person is substituted as a limited partner.
- (3) An additional limited partner is admitted.
- (4) A person is admitted as a general partner.
- (5) A general partner retires, dies, or becomes insane, and the business is continued under section 534 (relating to effect of retirement, death, or insanity of a general partner).
- (6) There is a change in the character of the business of the partnership.
- (7) There is a false or erroneous statement in the certificate.
- (8) There is a change in the time as stated in the certificate for the dissolution of the partnership or for the return of a contribution.
- (9) A time is fixed for the dissolution of the partnership, or the return of a contribution, no time having been specified in the certificate.
- (10) The members desire to make a change in any other statement in the certificate, in order that it shall accurately represent the agreement between them.

§ 543. Requirements for amendment and for cancellation of certificate.

(a) General rule.—The writing to amend a certificate shall:

(1) Conform to the requirements of section 512 (a) (1) (relating to formation), as far as necessary to set forth clearly the change in the certificate which it is desired to make.

(2) Be signed by all members, and an amendment substituting a limited partner or adding a limited or general partner shall be signed also by the member to be substituted or added, and when a limited partner is to be substituted, the amendment shall also be signed by the assigning limited partner.

(b) Cancellation.—The writing to cancel a certificate shall be signed by all members.

(c) Court order.—

(1) A person desiring the cancellation or amendment of a certificate, if any person designated in subsections (a) and (b) as a person who must execute the writing refuses to do so, may petition the court of common pleas of the county where the principal place of business stated in the certificate is located to direct a cancellation or amendment thereof.

(2) If the court finds that the petitioner has a right to have the writing executed by a person who refuses to do so, it shall order the filing in the Department of State of the cancellation or amendment of the certificate; and where the certificate is to be amended, the court shall also cause to be filed in said office a certified copy of its decree setting forth the amendment.

(d) Effective date of change.—A certificate is amended or cancelled when there is filed in the Department of State:

(1) (i) a writing in accordance with the provisions of subsections (a) or (b); or

(ii) a certified copy of the order of court, in accordance with the provisions of subsection (c); and

(2) if required by section 544 (relating to filing of certificate of summary of record by limited partnerships formed prior to 1976), a certificate of summary of record.

(e) Effect of amendment.—After the certificate is duly amended in accordance with this section, the amended certificate shall thereafter be for all purposes the certificate provided for by this chapter.

§ 544. Filing of certificate of summary of record by limited partnerships formed prior to 1976.

Any limited partnership which was not formed under this chapter, has never made any filing under this section, and desires to file any document in the Department of State under any other provision of this chapter or which desires to secure from the department a certified copy of the certificate of the limited partnership, shall file in the department a certificate of summary of record, which shall be signed by all members of the limited partnership and shall set forth:

(1) The name of the partnership.

(2) The location of the principal place of business.

(3) The statute under which the partnership was formed.

(4) The name under which, and the date on which the partnership was originally formed, including the date when and the place where the original certificate was recorded.

(5) The place or places, including the volume and page numbers or their equivalent, where the documents constituting the currently effective certificate are recorded, the date or dates of each such recording, and the text of such currently effective certificate. The information specified in this paragraph may be omitted in a certificate of summary of record which is delivered to the department contemporaneously with an amended certificate filed under this chapter which restates the certificate in its entirety.

(6) Each name by which the partnership was known, if any, other than its original name and its current name, and the date or dates on which each change of name of the partnership became effective.

§ 545. Parties to actions.

A contributor, unless he is general partner, is not a proper party to proceedings by or against a partnership, except where the object is to enforce a limited partner's right against or liability to the partnership.

Section 2. The following acts and parts of acts are hereby repealed absolutely:

Act of April 6, 1830 (P.L.277, No.159), entitled "An act for the furtherance of justice between obligors and obligees, and other creditors and debtors."

Act of March 21, 1836 (P.L.143, No.51), entitled "An act relative to limited partnerships."

So much of an act, in the form of a resolution, approved April 16, 1838 (P.L.689, No.19), entitled "Resolution relative to the State Library, and for other purposes," as relates to limited partnerships, being the last five resolutions of said act.

§ 5, act of April 11, 1848 (P.L.536, No.372), entitled "A supplement to an act, entitled 'An act relative to the Le Raysville Phalanx,' passed March, Anno Domini one thousand eight hundred and forty-seven, and relative to obligors and obligees, to secure the right of married women, in relation to defalcation, and to extend the boundaries of the borough of Ligonier."

Act of April 21, 1858 (P.L.383, No.410), entitled "A further supplement to the act relating to Limited Partnerships, approved twenty-first March, one thousand eight hundred and thirty-six."

Act of March 30, 1865 (P.L.46, No.32), entitled "A further supplement to the act relating to limited partnerships, approved March twenty-first, one thousand eight hundred and thirty-six, authorizing a special partner to make contribution in goods, and defining the manner in which said partnerships may be conducted."

Act of February 21, 1868 (P.L.42, No.7), entitled "A supplement to an act, entitled 'A further supplement to the act relating to limited partnerships,' approved March twenty-first, one thousand eight hundred and thirty-six, authorizing a special partner to make contribution in goods, and defining the manner in which said partnerships may be conducted, approved March thirtieth, Anno Domini one thousand eight hundred and sixty-five."

Act of June 24, 1895 (P.L.230, No.130), entitled "An act requiring the recorders of deeds of the several counties of the Commonwealth to certify to the Auditor General certain information relative to the limited partnership associations and joint stock associations, the articles of association of which are filed in their respective offices, and providing for the payment of said recorders of deeds for their services in certifying such information by the said associations."

Act of March 26, 1915 (P.L.18, No.15), known as the "Uniform Partnership Act."

Act of April 12, 1917 (P.L.55, No.37), known as "The Uniform Limited Partnership Act."

Section 3. The act of March 22, 1862 (P.L.167, No.169), entitled "An act relating to Co-Partners and Joint Debtors," is hereby repealed absolutely as obsolete within the meaning of 1 Pa. C. S. § 1978 (relating to repeal as obsolete does not affect substantive rights).

Section 4. Nothing in Chapter 5 of Title 59 of the Pennsylvania Consolidated Statutes shall be deemed to repeal any of the following acts:

§ 1, act of April 14, 1838 (P.L.457, No.75), entitled "An act relating to the commencement of actions, to appeals from county auditors, and for other purposes."

§ 19, act of October 13, 1840 (1841 P.L.1, No.258), entitled "An act relating to Orphans' Courts, and for other purposes."

§§ 3 and 4, act of April 11, 1848 (P.L.536, No.372), entitled "A supplement to an act, entitled 'An act relative to the Le Raysville Phalanx,' passed March, Anno Domini one thousand eight hundred and forty-seven, and relative to obligors and obligees, to secure the right of married women, in relation to defalcation, and to extend the boundaries of the borough of Ligonier."

§§ 13 and 14, act of April 14, 1851 (P.L.612, No.331), entitled "An act relating to the commencement of actions to judgments and decrees for the payment of money to the widows and children of decedents, to partitions in the Common Pleas, relative to penalties on telegraph operators, to pleadings in certain actions of debt, to actions of ejectments, to the protection of fences, to partnerships, to limitations of writs of entry in manors, lands, and tenements, to the exemption laws, to reports of the Supreme Court, to appeals relating to wards, boroughs, and township officers, to the acknowledgments of deeds and sequestration of life estates."

APPROVED—The 19th day of December, A. D. 1975.

MILTON J. SHAPP