

# UNIFORM LIMITED PARTNERSHIP LAW

## Footnotes

This chapter not enacted as a part of this title; transferred from chapter 545 in Code 1993

For future repeal of this chapter effective January 1, 2006, see § 487.1401

Effective January 1, 2005, limited partnerships formed on or after that date shall be governed by chapter 488, and effective January 1, 2006, all limited partnerships shall be subject to chapter 488. Prior to the repeal of this chapter, limited partnerships subject to this chapter shall continue under this chapter unless electing to be governed sooner by chapter 488. For limitations and transition provisions relating to the applicability of chapter 488 to relationships existing prior to January 1, 2005, see § 488.1204 and 488.1207 and 2004 Acts, ch 1021, §118

### **487.101 Definitions.**

As used in this chapter, unless the context otherwise requires:

1. "*Certificate of limited partnership*" means the certificate referred to in section 487.201, and the certificate as amended or restated.
2. "*Contribution*" means cash, property, services rendered, or a promissory note or other binding obligation to contribute cash or property or to perform services, which a partner contributes to a limited partnership in the partner's capacity as a partner.
3. "*Event of withdrawal of a general partner*" means an event that causes a person to cease to be a general partner as provided in section 487.402.
4. "*Foreign limited partnership*" means a partnership formed under the laws of a state other than this state and having as partners one or more general partners and one or more limited partners.
5. "*General partner*" means a person who has been admitted to a limited partnership as a general partner in accordance with the partnership agreement and named in the certificate of limited partnership as a general partner.
6. "*Limited partner*" means a person who has been admitted to a limited partnership as a limited partner in accordance with the partnership agreement.
7. "*Limited partnership*" and "*domestic limited partnership*" mean a partnership formed by two or more persons under the laws of this state and having one or more general partners and one or more limited partners.
8. "*Partner*" means a limited or general partner.
9. "*Partnership agreement*" means a valid agreement, written or oral, of the partners as to the affairs of a limited partnership and the conduct of its business.

10. "*Partnership interest*" means a partner's share of the profits and losses of a limited partnership and the right to receive distributions of partnership assets.

11. "*Person*" means as defined in section 4.1.

12. "*State*" means a state, territory, or possession of the United States, the District of Columbia, or the Commonwealth of Puerto Rico.

[C24, 27, 31, 35, 39, § 9806; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.1; 82 Acts, ch 1103, § 101]

C93, § 487.101

97 Acts, ch 188, § 1, 2

#### **487.102 Name.**

The name of each limited partnership as set forth in its certificate of limited partnership:

1. Shall contain the words "limited partnership" or the abbreviation "L.P."
2. Shall not contain the name of a limited partner unless either or both of the following apply:
  - a. That name is also the name of a general partner or the corporate name of a corporate general partner.
  - b. The business of the limited partnership had been carried on under that name before admission of that limited partner.
3. Shall be distinguishable upon the records of the secretary of state from the name of a registered limited liability partnership, corporation, limited liability company, or limited partnership organized under the law of this state or licensed or registered as a foreign registered limited liability partnership, foreign corporation, foreign limited liability company, or foreign limited partnership in this state or a name the exclusive right to which is, at the time, reserved in the manner provided in this chapter, without the written consent of the registered limited liability partnership, corporation, limited liability company, or limited partnership, which consent shall be filed with the secretary of state, and provided the name is not identical.
4. Shall not contain either the word "corporation" or the word "incorporated" or an abbreviation of either.
5. This chapter does not control the use of fictitious names. However, a limited partnership which uses a fictitious name in this state shall deliver to the secretary of state for filing a copy of the resolution of the limited partnership certified by its general partners, adopting the fictitious name.

[C24, 27, 31, 35, 39, § 9811; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.6; 82 Acts, ch 1103, § 102]

83 Acts, ch 144, § 9, 12; 89 Acts, ch 288, § 194

C93, § 487.102

97 Acts, ch 188, § 35

#### **487.103 Reservation of name.**

1. The exclusive right to the use of a name may be reserved by any of the following:

- a.* A person intending to organize a limited partnership under this chapter and to adopt that name.
  - b.* A domestic limited partnership or a foreign limited partnership registered in this state which, in either case, intends to adopt that name.
  - c.* A foreign limited partnership intending to register in this state and adopt that name.
  - d.* A person intending to organize a foreign limited partnership and intending to have it register in this state and adopt that name.
2. The reservation shall be made by filing with the secretary of state an application to reserve a specified name. If the secretary of state finds that the name is available for use by a domestic or foreign limited partnership, the secretary shall reserve the name for the exclusive use of the applicant for a period of one hundred twenty days. The right to the exclusive use of a reserved name may be transferred to any other person by filing in the office of the secretary of state a notice of the transfer, executed by the applicant for whom the name was reserved and specifying the name and address of the transferee.

[82 Acts, ch 1103, § 103]

C83, § 545.103

C93, § 487.103

97 Acts, ch 188, § 6

#### **487.104 Specified office and agent service of process.**

1. A limited partnership shall continuously maintain in this state both of the following:
  - a.* An office, which may, but need not be, a place of its business in this state. The records required to be maintained by section 487.105 shall be kept at the office.
  - b.* An agent for service of process on the limited partnership. The agent shall be either an individual resident of this state, a domestic corporation, or a foreign corporation authorized to do business in this state.
2. In addition to other statutory provisions relating to venue, an action may be brought against a limited partnership in the county where its office is maintained or, if a limited partnership fails to maintain an office in this state, then in any county within the state.
3. An agent for service of process may resign as agent by signing and delivering to the secretary of state an original statement of resignation for filing in accordance with section 487.108. The agent shall send a copy of the statement of resignation by certified mail to the limited partnership at its principal place of business. The agent shall certify to the secretary of state that the copy has been sent to the limited partnership, including the date the copy was sent. The appointment of the agent terminates on the date on which the statement is filed by the secretary of state.
4. If a limited partnership fails to appoint or maintain an agent for service of process or if its agent cannot with reasonable diligence be found at the address of the agent recorded with the secretary of state, then the secretary of state is an agent of the limited partnership upon whom any process, notice, or demand may be served. Service may be made by delivering to the secretary of state duplicate copies of the process, notice, or demand. If the process, notice, or demand is served on the secretary of state, the secretary of state shall

immediately cause one of the copies to be forwarded by certified mail, addressed to the limited partnership at its principal place of business. A limited partnership served in accordance with this subsection is not in default until thirty days have elapsed following the service on the secretary of state.

The secretary of state shall keep a record of all processes, notices, and demands served upon the secretary of state under this subsection, and shall record the time of the service and the action taken.

This subsection does not limit or affect the right to serve any process, notice, or demand required or permitted by law to be served upon a limited partnership in any other manner permitted by law.

[82 Acts, ch 1103, § 104]

C83, § 545.104

86 Acts, ch 1173, § 16

C93, § 487.104

97 Acts, ch 107, § 1; 97 Acts, ch 188, § 7

#### **487.104A Change of registered office or registered agent.**

1. A limited partnership may change its registered office or registered agent by delivering to the secretary of state for filing a statement of change that sets forth all of the following:

*a.* The name of the limited partnership.

*b.* If the current registered office is to be changed, the street address of the new registered office.

*c.* If the current registered agent is to be changed, the name of the new registered agent and the new agent's written consent, either on the statement or attached to it, to the appointment.

*d.* That after the change or changes are made, the street addresses of its registered office and the business office of its registered agent will be identical.

2. If a registered agent changes the street address of the registered agent's business office, the registered agent may change the street address of the registered office of any limited partnership for which the person is the registered agent by notifying the limited partnership in writing of the change and signing, either manually or in facsimile, and delivering to the secretary of state for filing a statement that complies with the requirements of subsection 1 and recites that the limited partnership has been notified of the change.

3. If a registered agent changes the registered agent's business address to another place, the registered agent may change the business address and the address of the registered agent by filing a statement as required in subsection 2 for each limited partnership, or a single statement for all limited partnerships named in the notice, except that it need be signed only by the registered agent or agents and need not be responsive to subsection 1, paragraph "c", and must recite that a copy of the statement has been mailed to each limited partnership named in the notice.

4. A document delivered to the secretary of state for the purpose of changing a limited partnership's registered agent or registered office may be executed by a general partner.

93 Acts, ch 126, §6; 97 Acts, ch 107, § 2

### **487.105 Records to be kept.**

A limited partnership shall keep at the office required under section 487.104, subsection 1, all of the following:

1. A current list of the full name and last known business address of each partner, separately identifying the general partners and the limited partners, each list being in alphabetical order.
2. A copy of the certificate of limited partnership and all certificates of amendment to the certificate of limited partnership, together with executed copies of any powers of attorney pursuant to which any certificate has been executed.
3. Copies of the limited partnership's federal, state, and local income tax returns and reports, if any, for the three most recent years.
4. Copies of any currently effective written partnership agreements and of any financial statements of the limited partnership for the three most recent years.
5. Unless contained in a written partnership agreement, a writing setting out all of the following:
  - a. The amount of cash and a description and statement of the agreed value of the other property or services contributed by each partner and which each partner has agreed to contribute.
  - b. The times at which or events on the happening of which any additional contributions agreed to be made by each partner are to be made.
  - c. Any right of a partner to receive, or of a general partner to make, distributions to a partner which include a return of all or any part of the partner's contribution.
  - d. Any events upon the happening of which the limited partnership is to be dissolved and its affairs wound up.

Records kept under this section are subject to inspection and copying at the reasonable request and at the expense of any partner during ordinary business hours.

[C24, 27, 31, 35, 39, § 9817; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.12; 82 Acts, ch 1103, § 105]

C93, § 487.105

97 Acts, ch 188, § 8

### **487.106 Nature of business.**

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

[C24, 27, 31, 35, 39, § 9809; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.4; 82 Acts, ch 1103, § 106]

C93, § 487.106

### **487.107 Business transactions of partner with partnership.**

Except as provided in the partnership agreement, a partner may lend money to and transact other business

with the limited partnership and, subject to other applicable law, has the same rights and obligations with respect to such transactions as a person who is not a partner.

[C24, 27, 31, 35, 39, § 9822; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.17; 82 Acts, ch 1103, § 107]

C93, § 487.107

#### **487.108 Filing requirements.**

1. A document shall satisfy the requirements of this section, and of any other section that adds to or varies these requirements, to be entitled to filing.
2. The document shall be filed in the office of the secretary of state.
3. The document shall contain the information required by this chapter. It may contain other information as well.
4. The document shall be typewritten or printed. The typewritten or printed portion shall be black. Manually signed photocopies, or other reproduced copies, including facsimiles or other electronically or computer-generated copies of typewritten or printed documents, may be filed.
5. The document shall be in the English language. A limited partnership name need not be in English if written in English letters or Arabic or Roman numerals.
6. Except as provided in section 487.205, the document shall be executed by one of the following methods:
  - a. If a domestic limited partnership, the documents shall be executed by all of its general partners.
  - b. If a foreign limited partnership, the document shall be subscribed and sworn to by a general partner.
  - c. If the general partner is in the hands of a receiver, trustee, or other court-appointed fiduciary, by that fiduciary.
7. The person executing the document shall sign it and state beneath or opposite the person's signature, the person's name and the capacity in which the person signs. The secretary of state may accept for filing a document containing a copy of a signature, however made.
8. If, pursuant to any provision of this chapter, the secretary of state has prescribed a mandatory form for the document, the document shall be in or on the prescribed form.
9. The document shall be delivered to the office of the secretary of state for filing and shall be accompanied by the correct filing fee.
10. The secretary of state may adopt rules for the electronic filing of documents and the certification of electronically filed documents.

97 Acts, ch 188, §9

#### **487.109 Fees.**

1. The secretary of state shall collect the following fees when the documents described in this subsection are delivered to the secretary's office for filing:

- a. Certificate of limited partnership ..... \$100
- b. Application for registration of foreign limited partnership and also issuance of a certificate of registration to transact business in this state .. ..... \$100
- c. Amendment to certificate of limited partnership ..... \$100
- d. Amendment to application for registration of foreign limited partnership ..... \$100
- e. Cancellation of certificate of limited partnership ..... \$ 20
- f. Cancellation of registration of foreign limited partnership ..... \$ 20
- g. A consent required to be filed under this chapter ..... \$ 20
- h. Application to reserve a limited partnership name ..... \$ 10
- i. A notice of transfer of reservation of name ..... \$ 10
- j. Articles of correction ..... \$ 5
- k. Application for certificate of existence or registration ..... \$ 5
- l. Statement of qualification of limited liability limited partnership ..... \$ 50
- m. Amendment to statement of qualification of limited liability limited partnership ..... \$ 20
- n. Cancellation of statement of qualification ..... \$ 20
- o. Application for registration of foreign limited liability limited partnership and also issuance of a certificate of registration to transact business in this state ..... \$100
- p. Amendment to application for registration of foreign limited liability limited partnership .. ..... \$100
- q. Cancellation of registration of foreign limited liability limited partnership ..... \$ 20
- r. Any other document required or permitted to be filed ..... \$ 5

2. The secretary of state shall collect a fee of five dollars each time process is served on the secretary under this chapter. The party to a proceeding causing service of process is entitled to recover this fee as costs if the party prevails in the proceeding.

3. The secretary of state shall collect the following fees for copying and certifying the copy of any filed document relating to a domestic or foreign limited partnership:

- a. One dollar per page for copying.
- b. Five dollars for the certificate.

97 Acts, ch 188, § 10; 2000 Acts, ch 1024, §3

**487.110 Effective time and date of documents.**

1. Except as provided in subsection 2 and section 487.112, subsection 3, a document accepted for filing is effective at the later of the following times:

*a.* At the time of filing on the date it is filed, as evidenced by the secretary of state's date and time endorsement on the original document.

*b.* At the time specified in the document as its effective time on the date it is filed.

2. A document may specify a delayed effective time and date, and if it does so the document becomes effective at the time and date specified. If a delayed effective date but no time is specified, the document is effective at the close of business on that date. A delayed effective date for a document shall not be later than the ninetieth day after the date it is filed.

97 Acts, ch 188, §11

#### **487.111 Correcting filed documents.**

1. A domestic or foreign limited partnership may correct a document filed by the secretary of state if the document satisfies one or both of the following requirements:

*a.* Contains an incorrect statement.

*b.* Was defectively executed, attested, sealed, verified, or acknowledged.

2. A document is corrected by preparing articles of correction that satisfy all of the following requirements:

*a.* Describe the document, including its filing date, or attach a copy of it to the articles.

*b.* Specify the incorrect statement and the reason it is incorrect or the manner in which the execution was defective.

*c.* Correct the incorrect statement or defective execution.

3. Articles of correction are effective on the effective date of the document they correct except as to persons relying on the uncorrected document and adversely affected by the correction. As to those persons, articles of correction are effective when filed.

97 Acts, ch 188, §12

#### **487.112 Filing duty of secretary of state.**

1. If a document delivered to the office of the secretary of state for filing satisfies the requirements of section 487.108, the secretary of state shall file it.

2. The secretary of state files a document by stamping or otherwise endorsing "filed", together with the secretary's name and official title and the date and time of receipt, on both the document and the receipt for the filing fee. After filing a document, and except as provided in section 487.104A, subsection 3, and section 487.909, the secretary of state shall deliver the document, with the filing fee receipt, or acknowledgment of receipt if no fee is required, attached, to the domestic or foreign limited partnership or its representative.

3. If the secretary of state refuses to file a document, the secretary of state shall return it to the domestic or foreign limited partnership or its representative within ten days after the document was received by the

secretary of state, together with a brief, written explanation of the reason for the refusal.

4. The secretary of state's duty to file documents under this section is ministerial. Filing or refusing to file a document does not do any of the following:

- a. Affect the validity or invalidity of the document in whole or part.
- b. Relate to the correctness or incorrectness of information contained in the document.
- c. Create a presumption that the document is valid or invalid or that information contained in the document is correct or incorrect.

97 Acts, ch 188, §13

#### **487.113 Appeal from secretary of state's refusal to file document.**

1. If the secretary of state refuses to file a document delivered to the secretary's office for filing, the domestic or foreign limited partnership may appeal the refusal, within thirty days after the return of the document, to the district court for the county in which the limited partnership's principal office or, if none in this state, its registered office is or will be located. The appeal is commenced by petitioning the court to compel filing the document and by attaching to the petition the document and the secretary of state's explanation of the refusal to file.

2. The court may summarily order the secretary of state to file the document or take other action the court considers appropriate.

3. The court's final decision may be appealed as in other civil proceedings.

97 Acts, ch 188, §14

#### **487.114 Evidentiary effect of copy of filed document.**

A certificate attached to a copy of a document filed by the secretary of state, bearing the secretary of state's signature, which may be in facsimile, and the seal of the secretary of state, is conclusive evidence that the original document is on file with the secretary of state.

97 Acts, ch 188, §15

#### **487.115 Certificate of existence.**

1. Anyone may apply to the secretary of state to furnish a certificate of existence for a domestic limited partnership or a certificate of registration for a foreign limited partnership.

2. A certificate of existence or a certificate of registration shall set forth all of the following:

a. The domestic limited partnership's name or the foreign limited partnership's name used in this state.

b. That one of the following applies:

(1) If it is a domestic limited partnership, that it is duly organized under the law of this state, the date of its organization, and the period of its duration.

(2) If it is a foreign limited partnership, that it is authorized to transact business in this state.

- c.* That all fees required by this chapter have been paid.
- d.* That a certificate of cancellation has not been filed.
- e.* Other facts of record in the office of the secretary of state that may be requested by the applicant.

3. Subject to any qualification stated in the certificate, a certificate of existence or certificate of registration issued by the secretary of state may be relied upon as conclusive evidence that the domestic or foreign limited partnership is in existence or is registered to transact business in this state.

97 Acts, ch 188, §16

#### **487.116 Penalty for signing false document.**

1. A person commits an offense if that person signs a document the person knows is false in any material respect with intent that the document be delivered to the secretary of state for filing.
2. An offense under this section is a serious misdemeanor punishable by a fine of not to exceed one thousand dollars.

97 Acts, ch 188, §17

#### **487.117 Secretary of state powers.**

The secretary of state has the power reasonably necessary to perform the duties required of the secretary of state by this chapter.

97 Acts, ch 188, §18

#### **487.201 Certificate of limited partnership.**

1. In order to form a limited partnership, a certificate of limited partnership must be executed and filed in the office of the secretary of state. The certificate shall set forth all of the following:

- a.* The name of the limited partnership.
- b.* The address of the office and the name and address of the agent for service of process required to be maintained by section 487.104, subsection 1.
- c.* The name and the business address of each general partner.
- d.* The latest date upon which the limited partnership is to dissolve.
- e.* Any other matters the general partners determine to include in the certificate.

2. A limited partnership is formed at the time of the filing of the certificate of limited partnership in the office of the secretary of state or at a later time specified in the certificate of limited partnership if, in either case, there has been substantial compliance with the requirements of this section.

[C24, 27, 31, 35, 39, § 9807, 9808; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.2, 545.3; 82 Acts, ch 1103, § 201]

C93, § 487.201

**487.202 Amendment to certificate.**

1. A certificate of limited partnership is amended by filing a certificate of amendment to the certificate of limited partnership in the office of the secretary of state. The certificate of amendment shall set forth both of the following:

*a.* The name of the limited partnership.

*b.* The amendment to the certificate.

2. Within thirty days after the happening of any of the following events, an amendment to a certificate of limited partnership reflecting the occurrence of the event shall be filed:

*a.* The admission of a new general partner.

*b.* The withdrawal of a general partner.

*c.* The continuation of the business under section 487.801 after an event of withdrawal of a general partner.

3. A general partner who becomes aware that any statement in a certificate of limited partnership was false when made or that any arrangements or other facts described have changed, making the certificate inaccurate in any respect, shall promptly amend the certificate.

4. A certificate of limited partnership may be amended at any time for any other proper purpose the general partners determine.

5. A person is not liable because an amendment to a certificate of limited partnership has not been filed to reflect the occurrence of any event referred to in subsection 2 if the amendment is filed within the thirty-day period specified in subsection 2.

6. A restated certificate of limited partnership may be executed and filed in the same manner as a certificate of amendment. The restated certificate must contain the information required in section 487.201 and may set forth any other provision consistent with law.

[C24, 27, 31, 35, 39, § 9850, 9851; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.45, 545.46; 82 Acts, ch 1103, § 202]

C93, § 487.202

97 Acts, ch 171, § 2; 97 Acts, ch 188, § 20

**487.203 Cancellation of certificate.**

A certificate of limited partnership shall be canceled upon the dissolution and the commencement of winding up of the partnership or at any other time there are no limited partners. A certificate of cancellation shall be filed in the office of the secretary of state and shall set forth all of the following:

1. The name of the limited partnership.

2. The reason for filing the certificate of cancellation.

3. The effective date, which shall be a date certain, of cancellation if it is not to be effective upon the filing of the certificate.

4. Other information the general partners filing the certificate determine.

[C24, 27, 31, 35, 39, § 9849; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.44; 82 Acts, ch 1103, § 203]

C93, § 487.203

97 Acts, ch 171, § 3

#### **487.204 Execution of certificates.**

1. Each certificate required by this chapter to be filed in the office of the secretary of state shall be executed in the following manner:

*a.* A certificate of limited partnership shall be signed by all general partners.

*b.* A certificate of amendment shall be signed by at least one general partner and by each other general partner designated in the certificate as a new general partner.

*c.* A certificate of cancellation shall be signed by all general partners.

2. A person may sign a certificate by an attorney-in-fact.

3. The execution of a certificate by a general partner is the making of a statement under oath or affirmation in a matter in which statements under oath or affirmation are required, within the meaning of section 720.2.

[C24, 27, 31, 35, 39, § 9851, 9852; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.46, 545.47; 82 Acts, ch 1103, § 204]

C93, § 487.204

97 Acts, ch 188, § 21

#### **487.205 Amendment or cancellation by judicial act.**

If a person required by section 487.204 to execute any certificate fails or refuses to do so, any other person who is adversely affected by the failure or refusal may petition the Iowa district court for the county in which the office described in section 487.104 is located to direct the execution of the certificate. If the court finds that it is proper for the certificate to be executed and that any person so designated has failed or refused to execute the certificate, the court shall order the secretary of state to accept for filing an appropriate certificate.

[C24, 27, 31, 35, 39, § 9853, 9854; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.48, 545.49; 82 Acts, ch 1103, § 205]

C93, § 487.205

97 Acts, ch 188, § 22

**487.206 Filing with secretary of state.** Repealed by 97 Acts, ch 188, § 74. See § 487.108.

### **487.207 Liability for false statement in certificate.**

If a certificate of limited partnership or certificate of amendment or cancellation contains a false statement, one who suffers loss by reliance on the statement may recover damages for the loss from either of the following:

1. A person who executes the certificate, or causes another to execute it on the person's behalf, and knew, and a general partner who knew or should have known, the statement to be false at the time the certificate was executed.
2. A general partner who knows or should have known that an arrangement or other fact described in the certificate has changed, making the statement inaccurate in any respect, within a sufficient time before the statement was relied upon reasonably to have enabled that general partner to cancel or amend the certificate, or to file a petition for its cancellation or amendment under section 487.205.

[C24, 27, 31, 35, 39, § 9813; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.8; 82 Acts, ch 1103, § 207]

C93, § 487.207

### **487.208 Scope of notice.**

The fact that a certificate of limited partnership is on file in the office of the secretary of state is notice that the partnership is a limited partnership and the persons designated in such certificate as general partners are general partners, but it is not notice of any other fact.

[82 Acts, ch 1103, § 208]

C83, § 545.208

C93, § 487.208

97 Acts, ch 188, § 23

### **487.301 Admission of limited partners.**

1. A person becomes a limited partner at either of the following times:

- a.* At the time the limited partnership is formed.
- b.* At any later time specified in the records of the limited partnership for becoming a limited partner.

2. After the filing of a limited partnership's original certificate of limited partnership, a person may be admitted as a new limited partner under the following conditions:

- a.* In the case of a person acquiring a partnership interest directly from the limited partnership, upon compliance with the partnership agreement or, if the partnership agreement does not so provide, upon the written consent of all partners.
- b.* In the case of an assignee of a partnership interest of a partner who has the power, as provided in section 487.704, to grant the assignee the right to become a limited partner, upon the exercise of that power and compliance with any conditions limiting the grant or exercise of the power.

[C24, 27, 31, 35, 39, § 9815; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.10; 82 Acts, ch 1103, §

301]

C93, § 487.301

97 Acts, ch 188, § 24

### **487.302 Voting.**

Subject to section 487.303, the partnership agreement may grant all or a specified group of the limited partners the right to vote on a per capita or other basis upon any matter.

[82 Acts, ch 1103, § 302]

C83, § 545.302

C93, § 487.302

### **487.303 Liability to third parties.**

1. Except as provided in subsection 4, a limited partner is not liable for the obligations of a limited partnership unless the limited partner is also a general partner or, in addition to the exercise of the limited partner's rights and powers as a limited partner, the limited partner participates in the control of the business. However, if the limited partner participates in the control of the business, the limited partner is liable only to persons who transact business with the limited partnership reasonably believing, based upon the limited partner's conduct, that the limited partner is a general partner.

2. A limited partner does not participate in the control of the business within the meaning of subsection 1 solely by doing one or more of the following:

*a.* Being a contractor for or an agent or employee of the limited partnership.

*b.* Being a contractor for or an agent, employee, manager, member, director, officer, or shareholder of or a limited partner of a general partner, or a partner in a limited liability partnership that is a general partner.

*c.* Consulting with and advising a general partner with respect to the business of the limited partnership.

*d.* Acting as surety for the limited partnership or guaranteeing or assuming one or more specific obligations of the limited partnership.

*e.* Taking any action required or permitted by law to bring or pursue a derivative action in the right of the limited partnership.

*f.* Requesting or attending a meeting of partners.

*g.* Proposing, approving, or disapproving, by voting or otherwise, one or more of the following matters:

(1) The dissolution and winding up of the limited partnership.

(2) The sale, exchange, lease, mortgage, pledge, or other transfer of all or substantially all the assets of the limited partnership.

(3) The incurrence of indebtedness by the limited partnership other than in the ordinary course of its business.

- (4) A change in the nature of the business.
- (5) The admission or removal of a general partner.
- (6) The admission or removal of a limited partner.
- (7) A transaction involving an actual or potential conflict of interest between a general partner and the limited partnership or the limited partners.
- (8) An amendment to the partnership agreement or certificate of limited partnership.
- (9) Matters related to the business of the limited partnership not otherwise enumerated in this subsection, which the partnership agreement states in writing may be subject to the approval or disapproval of limited partners.

*h.* Winding up the limited partnership pursuant to section 487.803.

*i.* Exercising any right or power permitted to limited partners under this chapter and not specifically enumerated in this subsection.

3. The enumeration in subsection 2 does not mean that the possession or exercise of any other powers by a limited partner constitutes participation by the limited partner in the business of the limited partnership.

4. A limited partner who knowingly permits the limited partner's name to be used in the name of the limited partnership, except under circumstances permitted by section 487.102, subsection 2, is liable to creditors who extend credit to the limited partnership without actual knowledge that the limited partner is not a general partner.

[C24, 27, 31, 35, 39, § 9812, 9814; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.7, 545.9; 82 Acts, ch 1103, § 303]

C93, § 487.303

97 Acts, ch 188, § 25

#### **487.304 Erroneous belief of limited partner status effect on liability as general partner.**

1. Except as provided in subsection 2, a person who makes a contribution to a business enterprise and erroneously but in good faith believes that the person has become a limited partner in the enterprise is not a general partner in the enterprise and is not bound by its obligations by reason of making the contribution, receiving distributions from the enterprise, or exercising any rights of a limited partner, if, on ascertaining the mistake, the person does either of the following:

*a.* Causes an appropriate certificate of limited partnership or a certificate of amendment to be executed and filed.

*b.* Withdraws from future equity participation in the enterprise by executing and filing in the office of the secretary of state a certificate declaring withdrawal under this section.

2. A person who makes a contribution of the kind described in subsection 1 is liable as a general partner to a third party who transacts business with the enterprise before either of the following:

*a.* The person withdraws and an appropriate certificate is filed to show the withdrawal.

*b.* An appropriate certificate is filed to show that the person is not a general partner.

However, in either case referred to in paragraph "*a*" or "*b*", the person is liable as a general partner only if the third party actually believed in good faith that the person was a general partner at the time of the transaction.

[C24, 27, 31, 35, 39, § 9819; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.14; 82 Acts, ch 1103, § 304]

C93, § 487.304

97 Acts, ch 188, § 26

#### **487.305 Information.**

Each limited partner may:

1. Inspect and copy the partnership records required to be maintained by section 487.105 and any of the partnership books.

2. Obtain from the general partners upon reasonable demand the following:

*a.* True and full information regarding the state of the business and financial condition of the limited partnership.

*b.* Copies of the limited partnership's federal, state, and local tax returns.

*c.* Other information regarding the affairs of the limited partnership as is just and reasonable.

[C24, 27, 31, 35, 39, § 9817; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.12; 82 Acts, ch 1103, § 305]

C93, § 487.305

#### **487.401 Admission of additional general partners.**

After the filing of a limited partnership's original certificate of limited partnership, additional general partners may be admitted as provided in writing in the partnership agreement or, if the partnership agreement does not provide in writing for the admission of additional general partners, with the written consent of all partners.

[C24, 27, 31, 35, 39, § 9816; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.11; 82 Acts, ch 1103, § 401]

C93, § 487.401

97 Acts, ch 188, § 27

#### **487.402 Events of withdrawal.**

Except as approved by the specific written consent of all partners at the time, a person ceases to be a general partner of a limited partnership upon the happening of any of the following events:

1. The general partner withdraws from the limited partnership as provided in section 487.602.

2. The general partner ceases to be a member of the limited partnership as provided in section 487.702.
3. The general partner is removed as a general partner in accordance with the partnership agreement.
4. Unless otherwise provided in writing in the partnership agreement, the general partner does any of the following:
  - a. Makes an assignment for the benefit of creditors.
  - b. Files a voluntary petition in bankruptcy.
  - c. Is adjudicated a bankrupt or insolvent.
  - d. Files a petition or answer seeking for the general partner reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any statute, law, or regulation.
  - e. Files an answer or other pleading admitting or failing to contest material allegations of a petition filed against the general partner in a proceeding of a nature specified in paragraph "d".
  - f. Seeks, consents to, or acquiesces in the appointment of a trustee, receiver, or liquidator of the general partner or of all or a substantial part of the general partner's properties.
5. Unless otherwise provided in writing in the partnership agreement, upon the expiration of the following time periods:
  - a. One hundred twenty days after the commencement of a proceeding against the general partner seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief, under any statute, law, or regulation, if the proceeding has not been dismissed within that time.
  - b. Ninety days after the appointment without the general partner's consent or acquiescence of a trustee, receiver, or liquidator of the general partner or of all or a substantial part of the general partner's properties, if the appointment is not vacated or stayed within that time.
  - c. If an appointment of the nature specified in paragraph "b" is stayed and if the appointment is not then vacated, ninety days after the expiration of the stay.
6. If the general partner is a natural person when either of the following occur:
  - a. The general partner dies.
  - b. The district court finds the general partner incapable of managing the general partner's person or property.
7. If the general partner is acting as a general partner by virtue of being a trustee of a trust, when the trust terminates. Substitution of a new trustee is not termination of the trust.
8. If the general partner is a separate partnership, the dissolution and commencement of winding up of the separate partnership.
9. If the general partner is a corporation, the filing of a certificate of dissolution, or its equivalent, for the corporation or revocation of the corporation's charter.
10. If the general partner is a limited liability company, the filing of a certificate of dissolution, or its equivalent, for the limited liability company or revocation of the limited liability company's charter.

11. In the case of an estate, the distribution by the fiduciary of the estate's entire interest in the partnership.

[C24, 27, 31, 35, 39, § 9816; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.11; 82 Acts, ch 1103, § 402]

C93, § 487.402

97 Acts, ch 188, § 28

#### **487.403 General powers and liabilities.**

1. Except as provided in this chapter or in the partnership agreement, a general partner of a limited partnership has the rights and powers and is subject to the restrictions of a partner in a partnership without limited partners.

2. Except as provided in this chapter, a general partner of a limited partnership has the liabilities of a partner in a partnership without limited partners to persons other than the partnership and the other partners. Except as provided in this chapter or in the partnership agreement, a general partner of a limited partnership has the liabilities of a partner in a partnership without limited partners to the partnership and to the other partners.

[C24, 27, 31, 35, 39, § 9816; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.11; 82 Acts, ch 1103, § 403]

C93, § 487.403

97 Acts, ch 188, § 29

#### **487.404 Contributions by general partner.**

A general partner of a limited partnership may make contributions to the partnership and share in the profits and losses of, and in distributions from, the limited partnership as a general partner. A general partner also may make contributions to and share in profits, losses, and distributions as a limited partner. A person who is both a general partner and a limited partner has the rights and powers, and is subject to the restrictions and liabilities, of a general partner and, except as provided in the partnership agreement, also has the powers, and is subject to the restrictions, of a limited partner to the extent of the person's participation in the partnership as a limited partner.

[C24, 27, 31, 35, 39, § 9820, 9821; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.15, 545.16; 82 Acts, ch 1103, § 404]

C93, § 487.404

#### **487.405 Voting.**

The partnership agreement may grant to all or certain identified general partners the right to vote on a per capita or any other basis, separately or with all or any class of the limited partners, on any matter.

[82 Acts, ch 1103, § 405]

C83, § 545.405

C93, § 487.405

97 Acts, ch 188, § 30

**487.501 Form of contribution.**

The contribution of a partner may be in cash, property, or services rendered, or a promissory note or other obligation to contribute cash or property or to perform services.

[C24, 27, 31, 35, 39, § 9810; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.5; 82 Acts, ch 1103, § 501]

C93, § 487.501

**487.502 Liability for contribution.**

1. A promise by a limited partner to contribute to the limited partnership is not enforceable unless set out in a writing signed by the limited partner.

2. Except as provided in the partnership agreement, a partner is obligated to the limited partnership to perform any enforceable promise to contribute cash or property or to perform services even if the partner is unable to perform because of death, disability, or any other reason. If a partner does not make the required contribution of property or services, the partner is obligated at the option of the limited partnership to contribute cash equal to that portion of the value, as stated in the partnership records required to be kept pursuant to section 487.105, of the stated contribution which has not been made.

3. Unless otherwise provided in the partnership agreement, the obligation of a partner to make a contribution or return money or other property paid or distributed in violation of this chapter may be compromised only by consent of all partners. Notwithstanding the compromise, a creditor of a limited partnership who extends credit or otherwise acts in reliance on that obligation after the partner signs a writing which reflects the obligation and before the amendment or cancellation of such obligation to reflect the compromise may enforce the original obligation.

[C24, 27, 31, 35, 39, § 9830; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.25; 82 Acts, ch 1103, § 502]

C93, § 487.502

97 Acts, ch 188, § 31

**487.503 Sharing of profits and losses.**

The profits and losses of a limited partnership shall be allocated among the partners, and among classes of partners, in the manner provided in writing in the partnership agreement. If the partnership agreement does not so provide in writing, profits and losses shall be allocated on the basis of the value, as stated in the partnership records required to be kept pursuant to section 487.105, of the contributions made by each partner to the extent the contributions have been received by the partnership and have not been returned.

[C24, 27, 31, 35, 39, § 9818; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.13; 82 Acts, ch 1103, § 503]

C93, § 487.503

97 Acts, ch 188, § 32

**487.504 Sharing of distributions.**

Distributions of cash or other assets of a limited partnership shall be allocated among the partners, and among classes of partners, in the manner provided in writing in the partnership agreement. If the partnership agreement does not so provide in writing, distributions shall be made on the basis of the value, as stated in the partnership records required to be kept pursuant to section 487.105, of the contributions made by each partner to the extent the contributions have been received by the partnership and have not been returned.

[C24, 27, 31, 35, 39, § 9824, 9848; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.19, 545.43; 82 Acts, ch 1103, § 504]

C93, § 487.504

97 Acts, ch 188, § 33

#### **487.601 Interim distributions.**

Except as provided in this article, a partner is entitled to receive distributions from a limited partnership before the partner's withdrawal from the limited partnership and before the dissolution and winding up of the partnership to the extent and at the times or upon the happening of the events specified in the partnership agreement.

[82 Acts, ch 1103, § 601]

C83, § 545.601

C93, § 487.601

97 Acts, ch 188, § 34

#### **487.602 Withdrawal of general partner.**

A general partner may withdraw from a limited partnership by giving written notice to the other partners, but, if the withdrawal violates the partnership agreement, in addition to its other remedies the limited partnership may recover from the withdrawing general partner damages for breach of the partnership agreement and offset the damages against the amount otherwise distributable to the partner.

[82 Acts, ch 1103, § 602]

C83, § 545.602

C93, § 487.602

#### **487.603 Withdrawal of limited partner.**

A limited partner may withdraw from a limited partnership only at the time or upon the happening of events specified in writing in the partnership agreement.

[C24, 27, 31, 35, 39, § 9827; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.22; 82 Acts, ch 1103, § 603]

C93, § 487.603

97 Acts, ch 188, § 35

#### **487.604 Distribution upon withdrawal.**

Except as provided in this article, upon withdrawal a partner is entitled to receive any distribution to which the partner is entitled under the partnership agreement and, if not otherwise provided in the agreement, the partner is entitled to receive, within a reasonable time after withdrawal, the fair value of the partner's interest in the limited partnership as of the date of withdrawal, based upon the partner's right to share in distributions from the limited partnership.

[82 Acts, ch 1103, § 604]

C83, § 545.604

C93, § 487.604

#### **487.605 Distribution in kind.**

Except as provided in writing in the partnership agreement, a partner, regardless of the nature of the partner's contribution, has no right to demand and receive any distribution from a limited partnership in any form other than cash. Except as provided in writing in the partnership agreement, a partner shall not be compelled to accept a distribution of any asset in kind from a limited partnership to the extent that the percentage of the asset distributed to the partner exceeds a percentage of that asset which is equal to the percentage in which the partner shares in distributions from the limited partnership.

[C24, 27, 31, 35, 39, § **9828**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.23; 82 Acts, ch 1103, § 605]

C93, § 487.605

97 Acts, ch 188, § 36

#### **487.606 Right to distribution.**

When a partner becomes entitled to receive a distribution, the partner has the status of a creditor of the limited partnership and is entitled to all remedies available to a creditor with respect to the distribution.

[82 Acts, ch 1103, § 606]

C83, § 545.606

C93, § 487.606

#### **487.607 Limitations on distribution.**

A partner shall not receive a distribution from a limited partnership to the extent that, after giving effect to the distribution, all liabilities of the limited partnership, other than liabilities to partners on account of their partnership interests, exceed the fair value of the partnership assets.

[C24, 27, 31, 35, 39, § **9825, 9826**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.20, 545.21; 82 Acts, ch 1103, § 607]

C93, § 487.607

97 Acts, ch 188, § 37

### **487.608 Liability upon return of contribution.**

1. If a partner has received the return of a part of the partner's contribution without violation of the partnership agreement or this chapter, for one year after the return, the partner is liable to the limited partnership for the amount of the returned contribution to the extent necessary to discharge the limited partnership's liabilities to creditors who extended credit to the limited partnership during the period the contribution was held by the partnership.
2. If a partner has received the return of any part of the partner's contribution in violation of the partnership agreement or this chapter, for six years after the return, the partner is liable to the limited partnership for the amount of the contribution wrongfully returned.
3. A partner receives a return of the partner's contribution to the extent that a distribution to the partner reduces the partner's share of the fair value of the net assets of the limited partnership below the value, as set forth in the partnership records required to be kept pursuant to section 487.105, of the partner's contribution which has not been distributed to the partner.

[C24, 27, 31, 35, 39, § 9832; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.27; 82 Acts, ch 1103, § 608]

C93, § 487.608

97 Acts, ch 188, § 38

### **487.701 Nature of partnership interest.**

A partnership interest is personal property.

[C24, 27, 31, 35, 39, § 9834; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.29; 82 Acts, ch 1103, § 701]

C93, § 487.701

### **487.702 Assignment of partnership interest.**

Except as provided in the partnership agreement, a partnership interest is assignable in whole or in part. An assignment of a partnership interest does not dissolve a limited partnership or entitle the assignee to become or to exercise any rights of a partner. An assignment entitles the assignee to receive, to the extent assigned, only the distribution to which the assignor would be entitled. Except as provided in the partnership agreement, a partner ceases to be a partner upon assignment of all the partner's partnership interest.

[C24, 27, 31, 35, 39, § 9834, 9836; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.29, 545.31; 82 Acts, ch 1103, § 702]

C93, § 487.702

97 Acts, ch 188, § 39

### **487.703 Rights of creditor.**

A judgment creditor of a partner may bring an action in the district court charging the partnership interest of the partner with payment of the unsatisfied amount of the judgment. To the extent the court so charges, the judgment creditor has only the rights of an assignee of the partnership interest. This chapter does not deprive

a partner of the benefit of exemption laws applicable to the partner's interest.

[C24, 27, 31, 35, 39, § 9833, 9844; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.28, 545.39; 82 Acts, ch 1103, § 703]

C93, § 487.703

#### **487.704 Right of assignee to become limited partner.**

1. An assignee of a partnership interest, including an assignee of a general partner, may become a limited partner if and to the extent that either of the following applies:

*a.* The assignor gives the assignee that right in accordance with authority described in the partnership agreement.

*b.* All other partners consent.

2. An assignee who has become a limited partner has, to the extent assigned, the rights and powers, and is subject to the restrictions and liabilities, of a limited partner under the partnership agreement and this chapter. An assignee who becomes a limited partner also is liable for the obligations of the assignor to make and return contributions as provided in articles 5 and 6 of this chapter. However, the assignee is not obligated for liabilities unknown to the assignee at the time the assignee became a limited partner.

3. The fact that an assignee of a partnership interest has become a limited partner does not release the assignor from the assignor's liability to the limited partnership under sections 487.207 and 487.502.

[C24, 27, 31, 35, 39, § 9835, 9837, 9839, 9840; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.30, 545.32, 545.34, 545.35; 82 Acts, ch 1103, § 704]

C93, § 487.704

97 Acts, ch 188, § 40

#### **487.705 Power of estate of deceased or incompetent partner.**

If a partner who is an individual dies or a court of competent jurisdiction adjudges the partner incapable of managing the partner's person or property, the partner's executor, administrator, guardian, conservator, or other legal representative may exercise all the partner's rights for the purpose of settling the estate or administering the property, including any power the partner had to give an assignee the right to become a limited partner. If a partner is a corporation, trust, or other entity and is dissolved or terminated, the powers of that partner may be exercised by its legal representative or successor.

[C24, 27, 31, 35, 39, § 9842, 9843; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.37, 545.38; 82 Acts, ch 1103, § 705]

C93, § 487.705

#### **487.801 Nonjudicial dissolution.**

1. A limited partnership is dissolved and its affairs shall be wound up when any of the following occur:

*a.* When events specified in the certificate of limited partnership occur.

- b.* When events specified in the partnership agreement occur.
  - c.* When all partners consent in writing to the dissolution.
  - d.* When a general partner withdraws unless at the time there is at least one other general partner and the provisions of the partnership agreement permit the business of the limited partnership to be carried on by the remaining general partner and the remaining partner does so.
  - e.* When a decree of judicial dissolution is entered under section 487.802.
2. When a general partner withdraws, the limited partnership is not dissolved and is not required to dissolve under either of the following conditions:

- a.* If all partners previously have consented to the designation of a person as a general partner as provided in section 487.401.
- b.* If all partners, within ninety days after the withdrawal, agree in writing to continue the business of the limited partnership and to the appointment of one or more additional partners as necessary or desired.

[C24, 27, 31, 35, 39, § **9841**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.36; 82 Acts, ch 1103, § 801]

C93, § 487.801

97 Acts, ch 188, § 41

#### **487.802 Judicial dissolution.**

On application by or for a partner, the district court for the county in which the office described in section 487.104 is located may decree dissolution of a limited partnership whenever it is not reasonably practicable to carry on the business of the limited partnership in conformity with the partnership agreement.

[C24, 27, 31, 35, 39, § **9817, 9829**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.12, 545.24; 82 Acts, ch 1103, § 802]

C93, § 487.802

#### **487.803 Winding up.**

Except as provided in the partnership agreement, the general partners who have not wrongfully dissolved a limited partnership or, if none, the limited partners, may wind up the limited partnership's affairs. Also, upon application of a partner, a partner's legal representative, or a partner's assignee, the district court for the county in which the office described in section 487.104 is located may wind up the limited partnership's affairs.

[C24, 27, 31, 35, 39, § **9817, 9829**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.12, 545.24; 82 Acts, ch 1103, § 803]

C93, § 487.803

#### **487.804 Order of distribution of assets.**

Upon the winding up of a limited partnership, the assets shall be distributed in the following order:

1. To creditors, including partners who are creditors, to the extent permitted by law, in satisfaction of liabilities of the limited partnership other than liabilities for distributions to partners under section 487.601 or 487.604.
2. Except as provided in the partnership agreement, to partners and former partners in satisfaction of liabilities for distributions under section 487.601 or 487.604.
3. Except as provided in the partnership agreement, to partners first for the return of their contributions and secondly respecting their partnership interests, in the proportions in which the partners share in distributions.

[C24, 27, 31, 35, 39, § 9847; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.42; 82 Acts, ch 1103, § 804]

C93, § 487.804

**487.805 through 487.809** Reserved.

#### **487.810 Grounds for administrative dissolution.**

The secretary of state may commence a proceeding under section 487.811 to administratively dissolve a limited partnership if any of the following apply:

1. The limited partnership is without a registered agent or registered office in this state for sixty days or more.
2. The limited partnership does not notify the secretary of state within sixty days that its registered agent or registered office has been changed, that its registered agent has resigned, or that its registered office has been discontinued.

97 Acts, ch 188, §42

#### **487.811 Procedure for and effect of administrative dissolution.**

1. If the secretary of state determines that one or more grounds exist under section 487.810 for dissolving a limited partnership, the secretary of state shall serve the limited partnership with written notice of the secretary of state's determination under section 487.104.
2. If the limited partnership does not correct each ground for dissolution or demonstrate to the reasonable satisfaction of the secretary of state that each ground determined by the secretary of state to exist does not exist within sixty days after service of the notice is perfected under section 487.104, the secretary of state shall administratively dissolve the limited partnership by signing a certificate of dissolution that recites the ground or grounds for dissolution and its effective date. The secretary of state shall file the original of the certificate and serve a copy on the limited partnership under section 487.104.
3. A limited partnership administratively dissolved continues its existence but shall not carry on any business except that necessary to wind up and liquidate its business and affairs under section 487.803.
4. The administrative dissolution of a limited partnership does not terminate the authority of its registered agent.
5. The secretary of state's administrative dissolution of a limited partnership pursuant to this section appoints the secretary of state the limited partnership's agent for service of process in any proceeding based on a cause of action which arose during the time the limited partnership was authorized to transact business in this state. Service of process on the secretary of state under this subsection is service on the limited partnership. Upon

receipt of process, the secretary of state shall serve a copy of the process on the limited partnership as provided in section 487.104. This subsection does not preclude service on the limited partnership's registered agent, if any.

97 Acts, ch 188, §43

#### **487.812 Reinstatement following administrative dissolution.**

1. A limited partnership administratively dissolved under section 487.811 may apply to the secretary of state for reinstatement within two years after the effective date of dissolution. The application must meet all of the following requirements:

*a.* Recite the name of the limited partnership at its date of dissolution and the effective date of its administrative dissolution.

*b.* State that the ground or grounds for dissolution have been eliminated.

*c.* State a name that satisfies the requirements of section 487.102.

2. If the secretary of state determines that the application contains the information required by subsection 1, and that the information is correct, the secretary of state shall cancel the certificate of dissolution and prepare a certificate of reinstatement that recites the secretary of state's determination and the effective date of reinstatement, file the original of the certificate, and serve a copy on the limited partnership under section 487.104. If the limited partnership's name in subsection 1, paragraph "c", is different than the limited partnership's name in subsection 1, paragraph "a", the certificate of reinstatement shall constitute an amendment to the articles of limited partnership insofar as it pertains to the limited partnership's name.

3. When the reinstatement is effective, it relates back to and takes effect as of the effective date of the administrative dissolution as if the administrative dissolution had never occurred.

97 Acts, ch 188, §44

#### **487.813 Appeal from denial of reinstatement.**

1. If the secretary of state denies a limited partnership's application for reinstatement following administrative dissolution, the secretary of state shall serve the limited partnership under section 487.104 with a written notice that explains the reason or reasons for denial.

2. The limited partnership may appeal the denial of reinstatement to the district court within thirty days after service of the notice of denial is perfected. The limited partnership appeals by petitioning the court to set aside the dissolution and attaching to the petition copies of the secretary of state's certificate of dissolution, the limited partnership's application for reinstatement, and the secretary of state's notice of denial.

3. The court may summarily order the secretary of state to reinstate the dissolved limited partnership or may take other action the court considers appropriate.

4. The court's final decision may be appealed as in other civil proceedings.

97 Acts, ch 188, §45

#### **487.901 Law governing.**

The laws of the state under which a foreign limited partnership is organized govern its organization and

internal affairs and the liability of its limited partners. A foreign limited partnership shall not be denied registration by reason of a difference between those laws and the laws of this state.

[82 Acts, ch 1103, § 901]

C83, § 545.901

C93, § 487.901

#### **487.902 Registration.**

Before transacting business in this state, a foreign limited partnership shall register with the secretary of state. In order to register, a foreign limited partnership shall submit to the secretary of state an application for registration as a foreign limited partnership, signed and sworn to by a general partner and setting forth all of the following:

1. The name of the foreign limited partnership and, if different, the name under which it proposes to register and transact business in this state.
2. The state and date of its formation.
3. The name and address of an agent for service of process on the foreign limited partnership. The agent shall be either an individual resident of this state, a domestic corporation, or a foreign corporation having a place of business in and authorized to do business in this state.
4. A statement that the secretary of state is the agent of the foreign limited partnership for service of process if the registered agent has resigned and an agent has not been appointed under subsection 3 or, if appointed, the agent's authority has been revoked, or if the agent cannot be found or served with the exercise of reasonable diligence.
5. The address of the office required to be maintained in the state of its organization by the laws of that state or, if such an office is not required, the address of the principal office of the foreign limited partnership.
6. The name and business address of each general partner.
7. The address of the office at which is kept a list of the names and addresses of the limited partners and their capital contributions, together with an undertaking by the foreign limited partnership to keep those records until the foreign limited partnership's registration in this state is canceled or withdrawn.

[82 Acts, ch 1103, § 902]

C83, § 545.902

C93, § 487.902

97 Acts, ch 107, § 3; 97 Acts, ch 188, § 46, 47

**487.903 Issuance of registration.** Repealed by 97 Acts, ch 188, § 74. See § 487.112.

#### **487.904 Name.**

A foreign limited partnership may register with the secretary of state under any name that could be registered by a domestic limited partnership even if it is not the name under which it is registered in its state of

organization.

[82 Acts, ch 1103, § 904]

C83, § 545.904

C93, § 487.904

**487.905 Amended registration.**

1. A foreign limited partnership registered to transact business in this state shall obtain an amended certificate of registration from the secretary of state if either of the following conditions exist:

*a.* A statement in the application for registration was false when made.

*b.* An arrangement or other fact described in the application for registration has changed making the application inaccurate in any respect.

2. The requirements of section 487.902 for obtaining an original certificate of registration apply to obtaining an amended certificate under this section.

[82 Acts, ch 1103, § 905]

C83, § 545.905

C93, § 487.905

97 Acts, ch 188, § 48

**487.906 Cancellation of registration.**

A foreign limited partnership may cancel its registration by filing with the secretary of state a certificate of cancellation signed and sworn to by a general partner. A cancellation does not terminate the authority of the secretary of state to accept service of process on the foreign limited partnership with respect to causes of action arising out of the transaction of business in this state.

[82 Acts, ch 1103, § 906]

C83, § 545.906

C93, § 487.906

**487.907 Transaction of business without registration.**

1. A foreign limited partnership transacting business in this state shall not maintain a proceeding in the courts of this state until the partnership has registered in this state.

2. The failure of a foreign limited partnership to register in this state does not impair the validity of a contract or act of the foreign limited partnership or prevent the foreign limited partnership from defending a proceeding in the courts of this state.

3. A limited partner of a foreign limited partnership is not liable as a general partner of the foreign limited partnership solely by reason of having transacted business in the state without registration.

4. A foreign limited partnership, by transacting business in this state without registration, appoints the secretary of state as its agent for service of process with respect to causes of action arising out of the transaction of business in this state.

[82 Acts, ch 1103, § 907]

C83, § 545.907

C93, § 487.907

#### **487.908 Actions by the attorney general.**

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

[82 Acts, ch 1103, § 908]

C83, § 545.908

C93, § 487.908

#### **487.909 Resignation of agent for service of process.**

An agent for service of process of a foreign limited partnership may resign as agent by signing and delivering to the secretary of state an original statement of resignation for filing in accordance with section 487.108. The agent shall send a copy of the statement of resignation by certified mail to the foreign limited partnership at its principal place of business. The agent shall certify to the secretary of state that the copy has been sent to the limited partnership, including the date the copy was sent. The appointment of the agent terminates on the date on which the statement is filed by the secretary of state.

86 Acts, ch 1173, § 17

C87, § 545.909

C93, § 487.909

97 Acts, ch 107, § 4; 98 Acts, ch 1100, § 65

#### **487.910 Service of process on foreign limited partnership.**

If a foreign limited partnership registered with the secretary of state fails to appoint or maintain an agent for service of process in this state or if its agent cannot with reasonable diligence be found, then service of process may be made upon the secretary of state in accordance with section 487.104, subsection 4.

86 Acts, ch 1173, § 18

C87, § 545.910

C93, § 487.910

#### **487.911 Change of registered office or registered agent.**

1. A foreign limited partnership may change its registered office or registered agent by delivering to the

secretary of state for filing a statement of change that sets forth all of the following:

- a. The name of the foreign limited partnership.
  - b. If the current registered office is to be changed, the street address of the new registered office.
  - c. If the current registered agent is to be changed, the name of the new registered agent and the new agent's written consent to the appointment, either on the statement or attached to the statement.
  - d. That after the change or changes are made, the street addresses of its registered office and the business office of its registered agent will be identical.
2. If a registered agent changes the street address of the registered agent's business office, the registered agent may change the street address of the registered office of any foreign limited partnership for which the person is the registered agent by notifying the foreign limited partnership in writing of the change and signing, either manually or in facsimile, and delivering to the secretary of state for filing a statement that complies with the requirements of subsection 1 and recites that the foreign limited partnership has been notified of the change.
3. If a registered agent changes the registered agent's business address to another place, the registered agent may change the business address and the address of the registered agent by filing a statement as required in subsection 2 for each foreign limited partnership, or a single statement for all foreign limited partnerships named in the notice, except that the statement need be signed only by the registered agent or agents and need not be responsive to subsection 1, paragraph "c", and must recite that a copy of the statement has been mailed to each foreign limited partnership named in the notice.
4. A document delivered to the secretary of state for the purpose of changing a foreign limited partnership's registered agent or registered office may be executed by a general partner.

97 Acts, ch 107, §5

#### **487.1001 Right of action.**

A limited partner has standing to bring an action to recover a judgment in the limited partnership's favor if general partners with authority to bring the action have refused to do so or if an effort to cause those general partners to bring the action is not likely to succeed.

[C24, 27, 31, 35, 39, § 9857; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.52; 82 Acts, ch 1103, § 1001]

C93, § 487.1001

#### **487.1002 Proper plaintiff.**

In a derivative action, the plaintiff must be a partner at the time of bringing the action and either must have been a partner at the time of the transaction of which the partner complains or must have acquired the status of partner by operation of law or pursuant to the terms of the partnership agreement from a person who was a partner at the time of the transaction of which the partner complains.

[82 Acts, ch 1103, § 1002]

C83, § 545.1002

C93, § 487.1002

97 Acts, ch 188, § 49

**487.1003 Pleading.**

In a derivative action, the petition shall set forth with particularity the effort of the plaintiff to secure initiation of the action by a general partner or the reasons for not making the effort.

[82 Acts, ch 1103, § 1003]

C83, § 545.1003

C93, § 487.1003

**487.1004 Expenses.**

If a derivative action is successful, in whole or in part, or if anything is received by the plaintiff as a result of a judgment, compromise, or settlement of an action or claim, the court may award the plaintiff reasonable expenses, including reasonable attorney's fees, and shall direct the plaintiff to remit to the limited partnership the remainder of those proceeds received by the plaintiff.

[82 Acts, ch 1103, § 1004]

C83, § 545.1004

C93, § 487.1004

**487.1101 Construction and application.**

This chapter shall be applied and construed to effectuate its general purpose to make uniform the law with respect to limited partnerships among states enacting it.

[C24, 27, 31, 35, 39, § 9859; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.54; 82 Acts, ch 1103, § 1101]

C93, § 487.1101

**487.1102 Short title.**

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

[C24, 27, 31, 35, 39, § 9858; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.53; 82 Acts, ch 1103, § 1102]

C93, § 487.1102

**487.1103 Cases not provided for in this chapter.**

In a case not provided for in this chapter, chapter 486A governs.

[C24, 27, 31, 35, 39, § 9861; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.56; 82 Acts, ch 1103, § 1103]

C93, § 487.1103

2000 Acts, ch 1024, §4, 8

**487.1104 Effect on existing limited partnerships.**

Except as specifically provided in this section, this chapter applies to all limited partnerships in existence on July 1, 1997, and does not invalidate provisions in limited partnership agreements or certificates executed prior to July 1, 1997. Unless otherwise agreed to by the partners, the applicable provisions of existing law, in effect prior to July 1, 1997, governing events of withdrawal of a general partner, withdrawal of a limited partner, and assignment of a partnership interest, govern limited partnerships formed before July 1, 1997.

[C24, 27, 31, 35, 39, § 9862, 9863; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 545.57, 545.58; 82 Acts, ch 1103, § 1104]

C93, § 487.1104

97 Acts, ch 188, § 50

**487.1105 Fees.** Repealed by 97 Acts, ch 188, § 74. See § 487.109.

**487.1106 Savings clause.**

The repeal of any statutory provision effective July 1, 1997, does not impair or otherwise affect the organization or the continued existence of a limited partnership existing on July 1, 1997, nor does the repeal of any existing statutory provision effective July 1, 1997, impair any contract or any right accrued before July 1, 1997.

97 Acts, ch 188, §51

**487.1201 Merger.**

1. Any one or more limited partnerships may merge with or into any one or more limited partnerships, limited liability companies, or corporations, provided that no limited partner of a limited partnership that is a party to the merger will, as a result of the merger, become personally liable for the liabilities or obligations of any other person or entity unless that limited partner approves the plan of merger or otherwise consents to becoming personally liable.

2. Unless otherwise provided in the partnership agreement, each domestic limited partnership which is to merge must approve the merger by approval of all general partners, and by limited partners who own more than fifty percent of the then current percentage or other interest in the profits of the domestic limited partnership owned by all of the limited partners. If more than one class or group of limited partners exists, the merger must be approved by the limited partners in each class or group who own more than fifty percent of the then current percentage or other interest in the profits of the domestic limited partnership owned by all of the limited partners of such class or group.

3. In connection with a merger under this section, rights or securities of, or interests in, a limited partnership, limited liability company, or corporation which is a constituent party to the merger may be exchanged for or converted into cash, property, rights, or securities of, or interest in, a limited partnership, limited liability company, or corporation which is the surviving entity or, in addition to or in lieu of such cash, property, rights, securities, or interests, may be exchanged for or converted into cash, property, rights, or securities of, or interest in, a limited partnership, limited liability company, or corporation other than the surviving entity.

98 Acts, ch 1098, §1

### **487.1202 Plan of merger.**

1. Each constituent party to the merger must enter into a written plan of merger, which must be approved in accordance with section 487.1203.
2. The plan of merger must set forth all of the following:
  - a.* The name of each constituent party to the merger and the name of the surviving entity into which each other constituent party proposes to merge.
  - b.* The terms and conditions of the proposed merger.
  - c.* The manner and basis of converting the interests in each constituent party to the merger into interests, shares, or other securities or obligations of the surviving entity, or of any other entity, or, in whole or in part, into cash or other property.
  - d.* Such amendments to the certificate of limited partnership of a limited partnership, articles of organization of a limited liability company, or articles or certificate of incorporation of a corporation, as the case may be, of the surviving entity as are desired to be effected by the merger, or that such changes are not desired.
  - e.* Other provisions relating to the proposed merger as are deemed necessary or desirable.

98 Acts, ch 1098, §2

### **487.1203 Action on plan.**

1. A proposed plan of merger complying with the requirements of section 487.1202 shall be approved in the manner provided by this section:
  - a.* A limited partnership which is a party to a proposed merger shall have the plan of merger authorized and approved in the manner and by the vote required in section 487.1201.
  - b.* A limited liability company which is a party to a proposed merger shall have the plan of merger authorized and approved as required by chapter 490A.
  - c.* A corporation which is a party to a proposed merger shall have the plan of merger authorized and approved in the manner and by the vote required by chapter 490.
2. After a merger is authorized, unless the plan of merger provides otherwise, and at any time before articles of merger as provided for in section 487.1204 are filed, the plan of merger may be abandoned subject to any contractual rights, in accordance with the procedure set forth in the plan of merger or, if none is set forth, in one of the following ways:
  - a.* By the limited partners of any limited partnership that is a constituent party as provided in section 487.1201.
  - b.* By the majority consent of the members of each limited liability company that is a constituent party, unless the articles of organization or an operating agreement of such limited liability company provides otherwise.
  - c.* In the manner determined by the board of directors of any corporation that is a constituent entity.

98 Acts, ch 1098, §3

#### **487.1204 Articles of merger effective date of merger.**

1. After a plan of merger is approved as provided in section 487.1203, the surviving entity shall deliver to the secretary of state for filing articles of merger duly executed by each constituent party setting forth all of the following:

- a.* The name of each constituent party.
  - b.* The plan of merger.
  - c.* The effective date of the merger if later than the date of filing of the articles of merger.
  - d.* The name of the surviving entity.
  - e.* A statement that the plan of merger was duly authorized and approved by each constituent party as provided in section 487.1203.
2. A merger takes effect upon the later of the effective date of the filing of the articles of merger or the date set forth in the plan of merger.

98 Acts, ch 1098, §4

#### **487.1205 Effect of merger.**

When a merger takes effect all of the following apply:

1. Every other constituent party merges into the surviving entity and the separate existence of every constituent party except the surviving entity ceases.
2. The title to all real estate and other property owned by each constituent party is vested in the surviving entity without reversion or impairment.
3. The surviving entity has all liabilities of each constituent party.
4. A proceeding pending against any constituent party may be continued as if the merger did not occur or the surviving entity may be substituted in the proceeding for the constituent party whose existence ceased.
5. The articles or limited partnership agreement of the surviving entity are amended to the extent provided in the plan of merger.
6. The shares or interests of each constituent party that are to be converted into shares, obligations, or other securities of the surviving or any other entity or into cash or other property are converted, and the former holders of the shares or interests are entitled only to the rights provided in the articles of merger except for dissenters' rights provided by law.
7. Except as provided by agreement with a person to whom a general partner of a limited partnership is obligated, a merger of a limited partnership that has become effective shall not affect any obligation of liability existing at the time of such merger of a general partner of a limited partnership which is merging.
8. If a limited partnership is a constituent party to a merger that becomes effective, but the limited partnership is not the surviving entity of the merger, a judgment creditor of a general partner of such limited partnership may not levy execution against the assets of the general partner to satisfy a judgment based on a claim against the surviving entity of the merger unless any of the following applies:

- a.* A judgment based on the same claim has been obtained against the surviving entity of the merger and a writ of execution on the judgment is returned unsatisfied in whole or in part.
- b.* The surviving entity of the merger is a debtor in bankruptcy.
- c.* The general partner agrees that the creditor need not exhaust the assets of the limited partnership that was not the surviving entity of the merger.
- d.* The general partner agrees that the creditor need not exhaust the assets of the surviving entity of the merger.
- e.* A court grants permission to the judgment creditor to levy execution against the assets of the general partner based on a finding that the assets of the surviving entity of the merger that are subject to execution are clearly insufficient to satisfy the judgment, that exhaustion of the assets of the surviving entity of the merger is excessively burdensome, or that the grant of permission is an appropriate exercise of the court's equitable powers.
- f.* Liability is imposed on the general partner by law or contract independent of the existence of the surviving entity of the merger.

98 Acts, ch 1098, §5

#### **487.1206 Merger with foreign entity.**

1. Any one or more limited partnerships of this state may merge with or into one or more foreign limited partnerships, foreign limited liability companies, or foreign corporations, or any one or more foreign limited partnerships, foreign limited liability companies, or foreign corporations may merge with or into any one or more limited partnerships of this state, if all of the following apply:
  - a.* The merger is permitted by the law of the state or jurisdiction under whose law each foreign constituent party is organized or formed and each foreign constituent party complies with that law in effecting the merger.
  - b.* The foreign constituent party complies with section 487.1204 if it is the surviving entity.
  - c.* Each domestic constituent party complies with the applicable provisions of sections 487.1202 and 487.1203 and, if it is the surviving entity, with section 487.1204.
2. Upon a merger involving one or more domestic limited partnerships taking effect, if the surviving entity is to be governed by the law of any state other than this state or of any foreign country, the surviving entity shall agree to both of the following:
  - a.* That it may be served with process in this state in any proceeding for enforcement of any obligation of any constituent party to the merger that was organized under the law of this state, as well as for enforcement of any obligation of the surviving entity arising from the merger.
  - b.* To irrevocably appoint the secretary of state as its agent for service of process in any such proceeding, and the surviving entity shall specify the address to which a copy of the process shall be mailed to it by the secretary of state.
3. The effect of the merger shall be as provided in section 487.1205, if the surviving entity is to be governed by the law of this state. If the surviving entity is to be governed by the law of any jurisdiction other than this state, the effect of the merger shall be the same as provided in section 487.1205, except insofar as the law of

the other jurisdiction provides otherwise.

98 Acts, ch 1098, §6

**487.1301 Limited liability limited partnership.**

1. A limited partnership may become a limited liability limited partnership pursuant to this section.
2. The terms and conditions on which a limited partnership becomes a limited liability limited partnership must be approved by the vote necessary to amend the limited partnership agreement except, in the case of a limited partnership agreement that expressly considers obligations to contribute to the limited partnership, by the vote necessary to amend those provisions.
3. After the approval required by subsection 2, a limited partnership may become a limited liability limited partnership by filing a statement of qualification. The statement must contain all of the following:
  - a. The name of the limited partnership.
  - b. The street address of the limited partnership's chief executive office and, if different, the street address of an office in this state, if any.
  - c. The address of a registered office and the name and address of a registered agent for service of process in this state, which the limited partnership is required to maintain as provided in section 487.104.
  - d. A statement that the limited partnership elects to be a limited liability limited partnership.
  - e. A deferred effective date, if any.
4. The filing of a statement of qualification establishes that a limited partnership has satisfied all conditions precedent to the qualification of the limited partnership as a limited liability limited partnership.
5. A limited liability limited partnership continues to be the same entity that existed before the filing of the statement of qualification under subsection 3.
6. Section 486A.306, subsection 3, and section 486A.307, subsection 4, apply to both general and limited partners of a limited liability limited partnership in the same manner as those provisions apply to a partnership and a partner under chapter 486A.

2000 Acts, ch 1024, §5

**487.1302 Name.**

The name of a limited liability limited partnership must end with "Registered Limited Liability Limited Partnership", "Limited Liability Limited Partnership", "R.L.L.L.P.", "L.L.L.P.", "RLLLP", or "LLLP".

2000 Acts, ch 1024, §6

**487.1303 Foreign limited liability limited partnership.**

Sections 487.901 through 487.911 shall apply to a foreign limited liability limited partnership in the same manner as those sections apply to a foreign limited partnership. For purposes of section 487.904, a foreign

limited liability limited partnership may register with the secretary of state under a name that could be registered by a domestic limited liability limited partnership even if it is not the name under which the foreign limited liability limited partnership is registered in its state of organization.

2000 Acts, ch 1024, §7

**487.1401 Repeal of chapter.**

This chapter is repealed effective January 1, 2006.

2004 Acts, ch 1021, §114, 118

Section takes effect January 1, 2005; 2004 Acts, ch 1021, § 118