

CHAPTER 171

CORPORATIONS AND ASSOCIATIONS

HOUSE BILL 97-1237

BY REPRESENTATIVES George, Kaufman, Reeser, Schwarz, and Tate;
also SENATOR Mutzebaugh.

AN ACT

CONCERNING ADOPTION OF THE "UNIFORM PARTNERSHIP ACT OF 1994".

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Title 7, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW ARTICLE to read:

ARTICLE 64
Colorado Uniform Partnership Act (1997)

PART 1
GENERAL PROVISIONS

7-64-101. Definitions. AS USED IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "ADDRESS" MEANS ANY LOCATION WHERE MAIL CAN BE DELIVERED BY THE UNITED STATES POSTAL SERVICE. "ADDRESS" INCLUDES POST OFFICE BOX NUMBERS, RURAL FREE DELIVERY ROUTE NUMBERS, AND STREET NAMES AND NUMBERS.

(2) "BUSINESS" INCLUDES EVERY TRADE, OCCUPATION, AND PROFESSION.

(3) "DEBTOR IN BANKRUPTCY" MEANS A PERSON WHO IS THE SUBJECT OF:

(a) AN ORDER FOR RELIEF UNDER TITLE 11 OF THE UNITED STATES CODE OR A COMPARABLE ORDER UNDER A SUCCESSOR STATUTE OF GENERAL APPLICATION; OR

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

(b) A COMPARABLE ORDER UNDER FEDERAL, STATE, OR FOREIGN LAW GOVERNING INSOLVENCY.

(4) "DELIVER" INCLUDES MAIL; EXCEPT THAT DELIVERY TO THE SECRETARY OF STATE MEANS ACTUAL RECEIPT BY THE SECRETARY OF STATE.

(5) "DISTRIBUTION" MEANS A TRANSFER OF MONEY OR OTHER PROPERTY FROM A PARTNERSHIP TO A PARTNER IN THE PARTNER'S CAPACITY AS A PARTNER OR TO A TRANSFEREE OF ALL OR A PART OF A PARTNER'S TRANSFERABLE INTEREST.

(6) "EFFECTIVE DATE", WHEN REFERRING TO A DOCUMENT FILED BY THE SECRETARY OF STATE, MEANS THE TIME AND DATE DETERMINED IN ACCORDANCE WITH SECTION 7-64-1106.

(7) "FILED STATEMENT" MEANS A STATEMENT THAT HAS BEEN FILED IN THE OFFICE OF THE SECRETARY OF STATE. A COPY OF A FILED STATEMENT MEANS A CERTIFIED COPY OF A FILED STATEMENT OR A PHOTOCOPY OF A FILED STATEMENT THAT BEARS THE SECRETARY OF STATE'S STAMP OR OTHER ENDORSEMENT OF FILING, TOGETHER WITH THE TIME AND DATE OF RECEIPT.

(8) "FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP" MEANS A LIMITED LIABILITY LIMITED PARTNERSHIP OR REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP, OR THE FUNCTIONAL EQUIVALENT THEREOF, OPERATING PURSUANT TO AN AGREEMENT GOVERNED BY THE LAWS OF ANY STATE OR JURISDICTION OTHER THAN THIS STATE, AND REGISTERED AS A LIMITED LIABILITY LIMITED PARTNERSHIP UNDER THE LAWS OF A STATE OR JURISDICTION OTHER THAN THIS STATE IF SO REQUIRED BY THE LAW OF SUCH OTHER STATE OR JURISDICTION.

(9) "FOREIGN LIMITED LIABILITY PARTNERSHIP" MEANS A LIMITED LIABILITY PARTNERSHIP OR REGISTERED LIMITED LIABILITY PARTNERSHIP, OR THE FUNCTIONAL EQUIVALENT THEREOF, OPERATING PURSUANT TO AN AGREEMENT GOVERNED BY THE LAWS OF ANY STATE OR JURISDICTION OTHER THAN THIS STATE, AND REGISTERED AS A LIMITED LIABILITY PARTNERSHIP UNDER THE LAWS OF A STATE OR JURISDICTION OTHER THAN THIS STATE IF SO REQUIRED BY THE LAW OF SUCH OTHER STATE OR JURISDICTION.

(10) "GENERAL PARTNER" MEANS A PARTNER IN A PARTNERSHIP AND A GENERAL PARTNER IN A LIMITED PARTNERSHIP.

(11) "INCLUDES", WHEN USED IN REFERENCE TO ANY DEFINITION OR LIST, INDICATES THAT THE DEFINITION OR LIST IS PARTIAL AND NOT EXCLUSIVE.

(12) "LIMITED LIABILITY LIMITED PARTNERSHIP" MEANS A LIMITED PARTNERSHIP THAT IS REGISTERED AS A LIMITED LIABILITY LIMITED PARTNERSHIP UNDER SECTION 7-64-1002 (1).

(13) "LIMITED LIABILITY PARTNERSHIP" MEANS A PARTNERSHIP THAT IS REGISTERED AS A LIMITED LIABILITY PARTNERSHIP UNDER SECTION 7-64-1002 (1).

(14) "LIMITED PARTNER" MEANS A LIMITED PARTNER IN A LIMITED PARTNERSHIP.

(15) "LIMITED PARTNERSHIP" MEANS A LIMITED PARTNERSHIP FORMED UNDER ARTICLE 61 OR 62 OF THIS TITLE OR A FUNCTIONALLY EQUIVALENT ENTITY FORMED UNDER THE LAWS OF ANOTHER JURISDICTION.

(16) "MAIL" MEANS DEPOSIT IN THE UNITED STATES MAIL, PROPERLY ADDRESSED, FIRST CLASS POSTAGE PREPAID, AND INCLUDES REGISTERED OR CERTIFIED MAIL FOR WHICH THE PROPER FEE HAS BEEN PAID.

(17) "MEANS" DENOTES AN EXHAUSTIVE DEFINITION OR LIST.

(18) "PARTNER" MEANS A PERSON WHO HAS ASSOCIATED WITH ANOTHER PERSON TO CARRY ON AS CO-OWNERS A BUSINESS FOR PROFIT AS A PARTNERSHIP. FOR PURPOSES OF PART 9, PART 10, AND PART 11 OF THIS ARTICLE, THE TERM "PARTNER" SHALL HAVE THE MEANINGS SET FORTH IN SECTIONS 7-64-901, 7-64-1001, AND 7-64-1101, RESPECTIVELY.

(19) "PARTNERSHIP" SHALL HAVE THE MEANING SET FORTH IN SECTION 7-64-202 (1). FOR THE PURPOSES OF PART 11 OF THIS ARTICLE, THE TERM "PARTNERSHIP" SHALL HAVE THE MEANING SET FORTH IN SECTION 7-64-1101.

(20) "PARTNERSHIP AGREEMENT" MEANS THE AGREEMENT, WHETHER WRITTEN, ORAL, OR IMPLIED, AMONG THE PARTNERS THAT GOVERNS RELATIONS AMONG THE PARTNERS AND BETWEEN THE PARTNERS AND THE PARTNERSHIP. FOR PURPOSES OF PART 9, PART 10, AND PART 11 OF THIS ARTICLE, THE TERM "PARTNERSHIP AGREEMENT" SHALL HAVE THE MEANINGS SET FORTH IN SECTIONS 7-64-901, 7-64-1001, AND 7-64-1101, RESPECTIVELY.

(21) "PARTNERSHIP AT WILL" MEANS A PARTNERSHIP THAT IS NOT A PARTNERSHIP FOR A DEFINITE TERM OR PARTICULAR UNDERTAKING.

(22) "PARTNERSHIP FOR A DEFINITE TERM OR PARTICULAR UNDERTAKING" MEANS A PARTNERSHIP IN WHICH THE PARTNERS HAVE AGREED TO REMAIN PARTNERS UNTIL THE EXPIRATION OF A DEFINITE TERM OR THE COMPLETION OF A PARTICULAR UNDERTAKING.

(23) "PARTNERSHIP INTEREST" OR "PARTNER'S INTEREST IN THE PARTNERSHIP" MEANS ALL OF A PARTNER'S INTERESTS IN THE PARTNERSHIP, INCLUDING THE PARTNER'S TRANSFERABLE INTEREST AND ALL MANAGEMENT AND OTHER RIGHTS.

(24) "PARTNERSHIP OBLIGATION" MEANS ANY DEBT, OBLIGATION, OR LIABILITY OF THE PARTNERSHIP, WHETHER SOUNDING IN TORT, CONTRACT, OR OTHERWISE.

(25) "PERSON" MEANS AN INDIVIDUAL; CORPORATION; BUSINESS TRUST; ESTATE; TRUST; PARTNERSHIP; LIMITED PARTNERSHIP; LIMITED PARTNERSHIP ASSOCIATION; LIMITED LIABILITY COMPANY; ASSOCIATION; JOINT VENTURE; GOVERNMENT, GOVERNMENTAL SUBDIVISION, AGENCY, OR INSTRUMENTALITY; OR ANY LEGAL OR COMMERCIAL ENTITY.

(26) "PROPERTY" MEANS ALL PROPERTY, REAL, PERSONAL, OR MIXED, TANGIBLE OR INTANGIBLE, OR ANY INTEREST THEREIN.

(27) "REGISTRANT" MEANS A PERSON THAT IS REGISTERED UNDER SECTION 7-64-1002.

(28) "STATE" MEANS A STATE OF THE UNITED STATES, THE DISTRICT OF COLUMBIA, THE COMMONWEALTH OF PUERTO RICO, OR ANY TERRITORY OR INSULAR POSSESSION SUBJECT TO THE JURISDICTION OF THE UNITED STATES.

(29) "STATEMENT" MEANS A STATEMENT OF PARTNERSHIP AUTHORITY UNDER SECTION 7-64-303, A STATEMENT OF DENIAL UNDER SECTION 7-64-304, A STATEMENT OF DISSOCIATION UNDER SECTION 7-64-704, A STATEMENT OF DISSOLUTION UNDER SECTION 7-64-805, A STATEMENT OF MERGER UNDER SECTION 7-64-907, A REGISTRATION STATEMENT UNDER SECTION 7-64-1002, A STATEMENT OF WITHDRAWAL OF REGISTRATION UNDER SECTION 7-64-1002, A STATEMENT OF CORRECTION UNDER SECTION 7-64-1107, OR AN AMENDMENT OR CANCELLATION OF ANY OF THE FOREGOING.

(30) "STREET ADDRESS" MEANS STREET NAME AND NUMBER, CITY OR TOWN, AND UNITED STATES POSTAL SERVICE ZIP CODE DESIGNATION. IF, BY REASON OF RURAL LOCATION OR OTHERWISE, A STREET NAME, NUMBER, TOWN, OR CITY DOES NOT EXIST, ANOTHER APPROPRIATE DESCRIPTION FIXING AS NEARLY AS POSSIBLE THE ACTUAL PHYSICAL LOCATION MAY BE SUBSTITUTED, BUT IN ALL SUCH CASES THE RURAL FREE DELIVERY ROUTE, THE COUNTY, AND THE UNITED STATES POSTAL SERVICE ZIP CODE DESIGNATION SHALL BE INCLUDED.

(31) "TRANSFER" INCLUDES AN ASSIGNMENT, CONVEYANCE, LEASE, MORTGAGE, DEED, AND ENCUMBRANCE.

(32) "TRANSFERABLE INTEREST" MEANS A PARTNER'S SHARE OF THE PROFITS AND LOSSES OF THE PARTNERSHIP AND THE PARTNER'S RIGHT TO RECEIVE DISTRIBUTIONS.

7-64-102. Knowledge and notice. (1) A PERSON KNOWS OR HAS KNOWLEDGE OF A FACT IF THE PERSON HAS CONSCIOUS AWARENESS OF THE FACT.

(2) A PERSON HAS NOTICE OF A FACT:

(a) IF THE PERSON KNOWS OF THE FACT;

(b) IF THE PERSON HAS RECEIVED A NOTIFICATION OF THE FACT;

(c) IF THE PERSON HAS REASON TO KNOW THE FACT EXISTS FROM ALL OF THE FACTS KNOWN TO THE PERSON AT THE TIME IN QUESTION; OR

(d) BY REASON OF A FILING OR RECORDING TO THE EXTENT PROVIDED BY AND SUBJECT TO LIMITATIONS SET FORTH IN SECTION 7-64-303 (4) AND (5), 7-64-704 (3), OR 7-64-805 (3).

(3) A PERSON NOTIFIES OR GIVES A NOTIFICATION TO ANOTHER BY TAKING STEPS REASONABLY APPROPRIATE TO INFORM THE OTHER PERSON IN ORDINARY COURSE, WHETHER OR NOT THE OTHER PERSON THEREBY OBTAINS KNOWLEDGE OF THE FACT.

(4) A PERSON RECEIVES A NOTIFICATION WHEN THE NOTIFICATION:

(a) COMES TO THE PERSON'S ATTENTION; OR

(b) IS RECEIVED AT THE PERSON'S PLACE OF BUSINESS OR AT ANY OTHER PLACE HELD OUT BY THE PERSON AS A PLACE FOR RECEIVING COMMUNICATIONS, OR IS RECEIVED BY A PERSON WHO IS APPARENTLY AUTHORIZED TO RECEIVE THE NOTIFICATION; OR

(c) HAS BEEN GIVEN AND THE CIRCUMSTANCES ARE SUCH THAT IT IS FAIR AND REASONABLE, AS AGAINST THE PERSON TO WHOM SUCH NOTICE HAS BEEN GIVEN, TO TREAT THE NOTICE AS HAVING BEEN RECEIVED.

(5) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (6) OF THIS SECTION, A PERSON OTHER THAN AN INDIVIDUAL KNOWS, HAS NOTICE, OR RECEIVES A NOTIFICATION OF A FACT FOR PURPOSES OF A PARTICULAR TRANSACTION WHEN AN INDIVIDUAL CONDUCTING THE TRANSACTION ON THAT PERSON'S BEHALF KNOWS, HAS NOTICE, OR RECEIVES A NOTIFICATION OF THE FACT, OR IN ANY EVENT WHEN THE FACT WOULD HAVE BEEN BROUGHT TO SUCH AN INDIVIDUAL'S ATTENTION IF THE PERSON HAD EXERCISED REASONABLE DILIGENCE. THE PERSON EXERCISES REASONABLE DILIGENCE IF THE PERSON MAINTAINS REASONABLE ROUTINES FOR COMMUNICATING SIGNIFICANT INFORMATION TO AN INDIVIDUAL CONDUCTING THE TRANSACTION ON THE PERSON'S BEHALF AND THERE IS REASONABLE COMPLIANCE WITH THE ROUTINES. REASONABLE DILIGENCE DOES NOT REQUIRE AN INDIVIDUAL ACTING FOR THE PERSON TO COMMUNICATE INFORMATION UNLESS THE COMMUNICATION IS PART OF THE INDIVIDUAL'S REGULAR DUTIES OR THE INDIVIDUAL HAS REASON TO KNOW OF THE TRANSACTION AND THAT THE TRANSACTION WOULD BE MATERIALLY AFFECTED BY THE INFORMATION.

(6) A PARTNER'S KNOWLEDGE, NOTICE, OR RECEIPT OF A NOTIFICATION OF A FACT RELATING TO THE PARTNERSHIP IS EFFECTIVE IMMEDIATELY AS KNOWLEDGE BY, NOTICE TO, OR RECEIPT OF A NOTIFICATION BY THE PARTNERSHIP, EXCEPT IN THE CASE OF A FRAUD ON THE PARTNERSHIP COMMITTED BY OR WITH THE CONSENT OF THAT PARTNER.

7-64-103. Effect of partnership agreement - nonwaivable provisions. (1) TO THE EXTENT THE PARTNERSHIP AGREEMENT DOES NOT OTHERWISE PROVIDE, THIS ARTICLE GOVERNS RELATIONS AMONG THE PARTNERS AND BETWEEN THE PARTNERS AND THE PARTNERSHIP.

(2) THE PARTNERSHIP AGREEMENT MAY NOT:

(a) VARY THE RIGHTS AND DUTIES UNDER SECTION 7-64-105, EXCEPT TO ELIMINATE THE DUTY TO PROVIDE COPIES OF STATEMENTS TO ALL OF THE PARTNERS;

(b) UNREASONABLY RESTRICT THE RIGHT OF ACCESS TO BOOKS AND RECORDS UNDER SECTION 7-64-403 (2) OR UNREASONABLY LIMIT THE OBLIGATIONS OF THE PARTNERS OR THE PARTNERSHIP UNDER SECTION 7-64-403 (3);

(c) ELIMINATE ANY OF THE DUTIES SPECIFIED IN SECTION 7-64-404 (1) (a), (1) (b), OR (1) (c) OR IN SECTION 7-64-603 (2) (c), BUT:

(I) THE PARTNERSHIP AGREEMENT MAY IDENTIFY TYPES OR CATEGORIES OF

ACTIVITIES THAT DO NOT VIOLATE ANY OF THE DUTIES SPECIFIED IN SECTION 7-64-404 (1) (a), (1) (b), OR (1) (c), IF NOT MANIFESTLY UNREASONABLE; OR

(II) ALL OF THE PARTNERS OR A NUMBER OR PERCENTAGE SPECIFIED IN THE PARTNERSHIP AGREEMENT MAY AUTHORIZE OR RATIFY, AFTER FULL DISCLOSURE OF ALL MATERIAL FACTS, AN ACT OR TRANSACTION THAT OTHERWISE WOULD VIOLATE ANY OF THE DUTIES SPECIFIED IN SECTION 7-64-404 (1) (a), (1) (b), OR (1) (c);

(d) UNREASONABLY REDUCE THE DUTY OF CARE UNDER SECTION 7-64-404 (3) OR 7-64-603 (2) (c);

(e) ELIMINATE THE OBLIGATION OF GOOD FAITH AND FAIR DEALING UNDER SECTION 7-64-404 (3), BUT THE PARTNERSHIP AGREEMENT MAY PRESCRIBE THE STANDARDS BY WHICH THE PERFORMANCE OF THE OBLIGATION IS TO BE MEASURED, IF THE STANDARDS ARE NOT MANIFESTLY UNREASONABLE;

(f) VARY THE POWER TO DISSOCIATE AS A PARTNER UNDER SECTION 7-64-602 (1), EXCEPT TO REQUIRE THE NOTICE UNDER SECTION 7-64-601 (1) (a) TO BE IN WRITING;

(g) VARY THE RIGHT OF A COURT TO EXPEL A PARTNER IN THE EVENTS SPECIFIED IN SECTION 7-64-601 (1) (e);

(h) VARY THE REQUIREMENT TO WIND UP THE PARTNERSHIP BUSINESS IN CASES SPECIFIED IN SECTION 7-64-801 (1) (d), (1) (e), OR (1) (f);

(i) RESTRICT RIGHTS OF THIRD PERSONS UNDER THIS ARTICLE; OR

(j) VARY THE LAW APPLICABLE TO LIMITED LIABILITY PARTNERSHIPS AS SET FORTH IN SECTION 7-64-106 (3).

7-64-104. Supplemental principles of law. (1) UNLESS DISPLACED BY PARTICULAR PROVISIONS OF THIS ARTICLE, THE PRINCIPLES OF LAW AND EQUITY SUPPLEMENT THIS ARTICLE.

(2) IF AN OBLIGATION TO PAY INTEREST ARISES UNDER THIS ARTICLE AND THE RATE IS NOT SPECIFIED, THE RATE IS THAT SPECIFIED IN SECTION 5-12-102, C.R.S.

7-64-105. Execution, filing, and recording of statements. (1) A STATEMENT MAY BE FILED IN THE OFFICE OF THE SECRETARY OF STATE. A CERTIFIED COPY OF A STATEMENT THAT IS FILED IN AN OFFICE IN ANOTHER STATE MAY BE FILED IN THE OFFICE OF THE SECRETARY OF STATE. EITHER FILING IN THIS STATE HAS THE EFFECT PROVIDED IN THIS ARTICLE WITH RESPECT TO PARTNERSHIP PROPERTY LOCATED IN OR TRANSACTIONS THAT OCCUR IN THIS STATE.

(2) ONLY A COPY OF A FILED STATEMENT RECORDED IN THE OFFICE FOR RECORDING TRANSFERS OF REAL PROPERTY HAS THE EFFECT PROVIDED FOR RECORDED STATEMENTS IN THIS ARTICLE.

(3) A STATEMENT FILED BY A PARTNERSHIP SHALL BE EXECUTED BY AT LEAST TWO PARTNERS. OTHER STATEMENTS SHALL BE EXECUTED BY A PARTNER OR OTHER PERSON AUTHORIZED BY THIS ARTICLE.

(4) A PERSON AUTHORIZED BY THIS ARTICLE TO DELIVER A STATEMENT TO THE SECRETARY OF STATE FOR FILING MAY AMEND OR CANCEL THE STATEMENT BY DELIVERING TO THE SECRETARY OF STATE FOR FILING AN AMENDMENT OR CANCELLATION THAT NAMES THE PARTNERSHIP, IDENTIFIES THE STATEMENT, AND STATES THE SUBSTANCE OF THE AMENDMENT OR CANCELLATION.

(5) A PERSON WHO DELIVERS A STATEMENT TO THE SECRETARY OF STATE FOR FILING PURSUANT TO THIS SECTION SHALL PROMPTLY DELIVER A COPY OF THE STATEMENT TO EVERY NONFILING PARTNER AND TO ANY OTHER PERSON NAMED AS A PARTNER IN THE STATEMENT. FAILURE TO DELIVER A COPY OF A STATEMENT TO A PARTNER OR OTHER PERSON DOES NOT LIMIT THE EFFECTIVENESS OF THE STATEMENT AS TO A PERSON NOT A PARTNER.

7-64-106. Law governing internal relations. (1) EXCEPT AS PROVIDED IN SUBSECTION (3) OF THIS SECTION, THE LAW OF THE JURISDICTION UNDER WHICH A PARTNERSHIP IS FORMED GOVERNS RELATIONS AMONG THE PARTNERS AND BETWEEN THE PARTNERS AND THE PARTNERSHIP.

(2) A PARTNERSHIP IS PRESUMED TO HAVE BEEN FORMED IN THE JURISDICTION IN WHICH IT HAS ITS CHIEF EXECUTIVE OFFICE.

(3) THE LAW OF THIS STATE SHALL GOVERN RELATIONS AMONG THE PARTNERS AND BETWEEN THE PARTNERS AND THE PARTNERSHIP, AND THE LIABILITY OF PARTNERS FOR PARTNERSHIP OBLIGATIONS, IN A PARTNERSHIP THAT HAS FILED A REGISTRATION STATEMENT AS A LIMITED LIABILITY PARTNERSHIP IN THIS STATE.

7-64-107. Partnership subject to amendment or repeal of article. A PARTNERSHIP GOVERNED BY THIS ARTICLE IS SUBJECT TO ANY AMENDMENT TO OR REPEAL OF THIS ARTICLE.

PART 2 NATURE OF PARTNERSHIP

7-64-201. Partnership as entity. A PARTNERSHIP IS AN ENTITY DISTINCT FROM ITS PARTNERS.

7-64-202. Formation of partnership. (1) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (2) OF THIS SECTION, THE ASSOCIATION OF TWO OR MORE PERSONS TO CARRY ON AS CO-OWNERS A BUSINESS FOR PROFIT FORMS A PARTNERSHIP, WHETHER OR NOT THE PERSONS INTEND TO FORM A PARTNERSHIP. A LIMITED LIABILITY PARTNERSHIP IS FOR ALL PURPOSES A PARTNERSHIP.

(2) (a) SUBJECT TO SECTION 7-64-1205, AN ASSOCIATION IS NOT A PARTNERSHIP UNDER THIS ARTICLE IF IT IS FORMED UNDER A STATUTE OTHER THAN:

(I) THIS ARTICLE;

(II) ARTICLE 60 OF THIS TITLE; OR

(III) A COMPARABLE STATUTE OF ANOTHER JURISDICTION. A PARTNERSHIP THAT IS SUBJECT TO ARTICLE 60 OF THIS TITLE BY REASON OF THE FIRST SENTENCE OF

SUBSECTION (2) OF SECTION 7-60-106 SHALL BE DEEMED TO BE FORMED UNDER ARTICLE 60 FOR PURPOSES OF THIS SUBSECTION (2).

(3) IN DETERMINING WHETHER A PARTNERSHIP IS FORMED, THE FOLLOWING RULES APPLY:

(a) JOINT TENANCY, TENANCY IN COMMON, TENANCY BY THE ENTIRETIES, JOINT PROPERTY, COMMON PROPERTY, OR PART OWNERSHIP DOES NOT BY ITSELF ESTABLISH A PARTNERSHIP, EVEN IF THE CO-OWNERS SHARE PROFITS MADE BY THE USE OF THE PROPERTY.

(b) THE SHARING OF GROSS RETURNS DOES NOT BY ITSELF ESTABLISH A PARTNERSHIP, EVEN IF THE PERSONS SHARING THEM HAVE A JOINT OR COMMON RIGHT OR INTEREST IN PROPERTY FROM WHICH THE RETURNS ARE DERIVED.

(c) A PERSON WHO RECEIVES A SHARE OF THE PROFITS OF A BUSINESS IS PRESUMED TO BE A PARTNER IN THE BUSINESS, UNLESS THE PROFITS WERE RECEIVED IN PAYMENT:

(I) OF A DEBT BY INSTALLMENTS OR OTHERWISE;

(II) FOR SERVICES AS AN INDEPENDENT CONTRACTOR OR OF WAGES OR OTHER COMPENSATION TO AN EMPLOYEE;

(III) OF RENT;

(IV) OF AN ANNUITY OR OTHER RETIREMENT OR HEALTH BENEFIT TO A BENEFICIARY, REPRESENTATIVE, OR DESIGNEE OF A DECEASED OR RETIRED PARTNER;

(V) OF INTEREST OR OTHER CHARGE ON A LOAN, EVEN IF THE AMOUNT OF PAYMENT VARIES WITH THE PROFITS OF THE BUSINESS, INCLUDING A DIRECT OR INDIRECT PRESENT OR FUTURE OWNERSHIP OF THE COLLATERAL OR RIGHTS TO INCOME, PROCEEDS, OR INCREASE IN VALUE DERIVED FROM THE COLLATERAL; OR

(VI) FOR THE SALE OF THE GOODWILL OF A BUSINESS OR OTHER PROPERTY BY INSTALLMENTS OR OTHERWISE.

7-64-203. Partnership property. PROPERTY ACQUIRED BY A PARTNERSHIP IS PROPERTY OF THE PARTNERSHIP AND NOT OF THE PARTNERS INDIVIDUALLY.

7-64-204. When property is partnership property. (1) PROPERTY IS PARTNERSHIP PROPERTY IF ACQUIRED IN THE NAME OF:

(a) THE PARTNERSHIP; OR

(b) ONE OR MORE PARTNERS WITH AN INDICATION IN THE INSTRUMENT TRANSFERRING TITLE TO THE PROPERTY OF THE PERSON'S CAPACITY AS A PARTNER OR OF THE EXISTENCE OF A PARTNERSHIP BUT WITHOUT AN INDICATION OF THE NAME OF THE PARTNERSHIP.

(2) PROPERTY IS ACQUIRED IN THE NAME OF THE PARTNERSHIP BY A TRANSFER TO:

(a) THE PARTNERSHIP IN ITS NAME; OR

(b) ONE OR MORE PARTNERS IN THEIR CAPACITY AS PARTNERS IN THE PARTNERSHIP, IF THE NAME OF THE PARTNERSHIP IS INDICATED IN THE INSTRUMENT TRANSFERRING TITLE TO THE PROPERTY.

(3) PROPERTY IS PRESUMED TO BE PARTNERSHIP PROPERTY IF PURCHASED WITH PARTNERSHIP ASSETS, EVEN IF NOT ACQUIRED IN THE NAME OF THE PARTNERSHIP OR OF ONE OR MORE PARTNERS WITH AN INDICATION IN THE INSTRUMENT TRANSFERRING TITLE TO THE PROPERTY OF THE PERSON'S CAPACITY AS A PARTNER OR OF THE EXISTENCE OF A PARTNERSHIP.

(4) PROPERTY ACQUIRED IN THE NAME OF ONE OR MORE OF THE PARTNERS, WITHOUT AN INDICATION IN THE INSTRUMENT TRANSFERRING TITLE TO THE PROPERTY OF THE PERSON'S CAPACITY AS A PARTNER OR OF THE EXISTENCE OF A PARTNERSHIP AND WITHOUT USE OF PARTNERSHIP ASSETS IS PRESUMED TO BE SEPARATE PROPERTY, EVEN IF USED FOR PARTNERSHIP PURPOSES.

PART 3
RELATIONS OF PARTNERS TO
PERSONS DEALING WITH PARTNERSHIP

7-64-301. Partner agent of partnership. (1) SUBJECT TO THE EFFECT OF A STATEMENT OF PARTNERSHIP AUTHORITY UNDER SECTION 7-64-303:

(a) EACH PARTNER IS AN AGENT OF THE PARTNERSHIP FOR THE PURPOSES OF ITS BUSINESS. AN ACT OF A PARTNER, INCLUDING THE EXECUTION OF AN INSTRUMENT IN THE PARTNERSHIP NAME, FOR APPARENTLY CARRYING ON IN THE ORDINARY COURSE THE PARTNERSHIP BUSINESS OR BUSINESS OF THE KIND CARRIED ON BY THE PARTNERSHIP BINDS THE PARTNERSHIP, UNLESS THE PARTNER HAD NO AUTHORITY TO ACT FOR THE PARTNERSHIP IN THE PARTICULAR MATTER AND THE PERSON WITH WHOM THE PARTNER WAS DEALING HAD NOTICE THAT THE PARTNER LACKED AUTHORITY.

(b) AN ACT OF A PARTNER WHICH IS NOT APPARENTLY FOR CARRYING ON IN THE ORDINARY COURSE THE PARTNERSHIP BUSINESS OR BUSINESS OF THE KIND CARRIED ON BY THE PARTNERSHIP BINDS THE PARTNERSHIP ONLY IF THE ACT WAS AUTHORIZED BY THE OTHER PARTNERS.

7-64-302. Transfer of partnership property. (1) PARTNERSHIP PROPERTY MAY BE TRANSFERRED AS FOLLOWS:

(a) SUBJECT TO THE EFFECT OF A STATEMENT OF PARTNERSHIP AUTHORITY UNDER SECTION 7-64-303, PARTNERSHIP PROPERTY HELD IN THE NAME OF THE PARTNERSHIP MAY BE TRANSFERRED BY AN INSTRUMENT OF TRANSFER EXECUTED BY A PARTNER IN THE PARTNERSHIP NAME.

(b) PARTNERSHIP PROPERTY HELD IN THE NAME OF ONE OR MORE PARTNERS WITH AN INDICATION IN THE INSTRUMENT TRANSFERRING THE PROPERTY TO THEM OF THEIR CAPACITY AS PARTNERS OR OF THE EXISTENCE OF A PARTNERSHIP, BUT WITHOUT AN INDICATION OF THE NAME OF THE PARTNERSHIP, MAY BE TRANSFERRED BY AN INSTRUMENT OF TRANSFER EXECUTED BY THE PERSONS IN WHOSE NAME THE

PROPERTY IS HELD.

(c) PARTNERSHIP PROPERTY HELD IN THE NAME OF ONE OR MORE PERSONS OTHER THAN THE PARTNERSHIP, WITHOUT AN INDICATION IN THE INSTRUMENT TRANSFERRING THE PROPERTY TO THEM OF THEIR CAPACITY AS PARTNERS OR OF THE EXISTENCE OF A PARTNERSHIP, MAY BE TRANSFERRED BY AN INSTRUMENT OF TRANSFER EXECUTED BY THE PERSONS IN WHOSE NAME THE PROPERTY IS HELD.

(2) A PARTNERSHIP MAY RECOVER PARTNERSHIP PROPERTY FROM A TRANSFEREE ONLY IF IT PROVES THAT EXECUTION OF THE INSTRUMENT OF INITIAL TRANSFER DID NOT BIND THE PARTNERSHIP UNDER SECTION 7-64-301 AND:

(a) AS TO A SUBSEQUENT TRANSFEREE WHO GAVE VALUE FOR PROPERTY TRANSFERRED UNDER PARAGRAPH (a) OR (b) OF SUBSECTION (1) OF THIS SECTION, PROVES THAT THE SUBSEQUENT TRANSFEREE HAD NOTICE THAT THE PERSON WHO EXECUTED THE INSTRUMENT OF INITIAL TRANSFER LACKED AUTHORITY TO BIND THE PARTNERSHIP; OR

(b) AS TO A TRANSFEREE WHO GAVE VALUE FOR PROPERTY TRANSFERRED UNDER PARAGRAPH (c) OF SUBSECTION (1) OF THIS SECTION, PROVES THAT THE TRANSFEREE HAD NOTICE THAT THE PROPERTY WAS PARTNERSHIP PROPERTY AND THAT THE PERSON WHO EXECUTED THE INSTRUMENT OF INITIAL TRANSFER LACKED AUTHORITY TO BIND THE PARTNERSHIP.

(3) A PARTNERSHIP MAY NOT RECOVER PARTNERSHIP PROPERTY FROM A SUBSEQUENT TRANSFEREE IF THE PARTNERSHIP WOULD NOT HAVE BEEN ENTITLED TO RECOVER THE PROPERTY, UNDER SUBSECTION (2) OF THIS SECTION, FROM ANY EARLIER TRANSFEREE OF THE PROPERTY.

(4) IF A PERSON HOLDS ALL OF THE PARTNERS' INTERESTS IN THE PARTNERSHIP, ALL OF THE PARTNERSHIP PROPERTY VESTS IN THAT PERSON. THE PERSON MAY EXECUTE A DOCUMENT IN THE NAME OF THE PARTNERSHIP TO EVIDENCE VESTING OF THE PROPERTY IN THAT PERSON AND MAY FILE OR RECORD THE DOCUMENT.

7-64-303. Statement of partnership authority. (1) A PARTNERSHIP MAY DELIVER TO THE SECRETARY OF STATE FOR FILING A STATEMENT OF PARTNERSHIP AUTHORITY, WHICH STATEMENT:

(a) SHALL INCLUDE:

(I) THE NAME OF THE PARTNERSHIP;

(II) THE STREET ADDRESS OF ITS CHIEF EXECUTIVE OFFICE AND OF ONE OFFICE IN THIS STATE, IF THERE IS ONE;

(III) THE NAMES AND ADDRESSES OF ALL OF THE PARTNERS OR OF AN AGENT APPOINTED AND MAINTAINED BY THE PARTNERSHIP FOR PURPOSES OF SUBSECTION (2) OF THIS SECTION; AND

(IV) THE NAMES OF THE PARTNERS AUTHORIZED TO EXECUTE AN INSTRUMENT TRANSFERRING REAL PROPERTY HELD IN THE NAME OF THE PARTNERSHIP; AND

(b) MAY STATE THE AUTHORITY, OR LIMITATIONS ON THE AUTHORITY, OF SOME OR ALL OF THE PARTNERS TO ENTER INTO OTHER TRANSACTIONS ON BEHALF OF THE PARTNERSHIP AND ANY OTHER MATTER.

(2) IF A STATEMENT OF PARTNERSHIP AUTHORITY NAMES AN AGENT, THE AGENT SHALL MAINTAIN A LIST OF THE NAMES AND ADDRESSES OF ALL OF THE PARTNERS AND MAKE IT AVAILABLE TO ANY PERSON ON REQUEST FOR GOOD CAUSE SHOWN.

(3) IF A FILED STATEMENT OF PARTNERSHIP AUTHORITY IS EXECUTED PURSUANT TO SECTION 7-64-105 (3) AND STATES THE NAME OF THE PARTNERSHIP BUT DOES NOT CONTAIN ALL OF THE OTHER INFORMATION REQUIRED BY SUBSECTION (1) OF THIS SECTION, THE STATEMENT NEVERTHELESS OPERATES WITH RESPECT TO A PERSON NOT A PARTNER AS PROVIDED IN SUBSECTIONS (4) AND (5) OF THIS SECTION.

(4) A FILED STATEMENT OF PARTNERSHIP AUTHORITY IS PRIMA FACIE EVIDENCE OF THE EXISTENCE OF THE PARTNERSHIP AND OF THE FACTS RECITED THEREIN AND SUPPLEMENTS THE AUTHORITY OF A PARTNER TO ENTER INTO TRANSACTIONS ON BEHALF OF THE PARTNERSHIP AS FOLLOWS:

(a) EXCEPT FOR TRANSFERS OF REAL PROPERTY, A GRANT OF AUTHORITY CONTAINED IN A FILED STATEMENT OF PARTNERSHIP AUTHORITY IS CONCLUSIVE IN FAVOR OF A PERSON WHO GIVES VALUE WITHOUT NOTICE TO THE CONTRARY, SO LONG AS AND TO THE EXTENT THAT A LIMITATION ON THAT AUTHORITY IS NOT THEN CONTAINED IN ANOTHER FILED STATEMENT. A FILED CANCELLATION OF A LIMITATION ON AUTHORITY REVIVES THE PREVIOUS GRANT OF AUTHORITY.

(b) A GRANT OF AUTHORITY TO TRANSFER REAL PROPERTY HELD IN THE NAME OF THE PARTNERSHIP CONTAINED IN A COPY OF A FILED STATEMENT OF PARTNERSHIP AUTHORITY RECORDED IN THE OFFICE FOR RECORDING TRANSFERS OF THAT REAL PROPERTY IS CONCLUSIVE IN FAVOR OF A PERSON WHO GIVES VALUE WITHOUT HAVING NOTICE TO THE CONTRARY, SO LONG AS AND TO THE EXTENT THAT A COPY OF A FILED STATEMENT CONTAINING A LIMITATION ON THAT AUTHORITY IS NOT THEN OF RECORD IN THE OFFICE FOR RECORDING TRANSFERS OF THAT REAL PROPERTY. THE RECORDING IN THE OFFICE FOR RECORDING TRANSFERS OF THAT REAL PROPERTY OF A COPY OF A FILED STATEMENT CANCELING A LIMITATION ON AUTHORITY REVIVES THE PREVIOUS GRANT OF AUTHORITY.

(5) A PERSON NOT A PARTNER HAS NOTICE OF A LIMITATION ON THE AUTHORITY OF A PARTNER TO TRANSFER REAL PROPERTY HELD IN THE NAME OF THE PARTNERSHIP IF A COPY OF A FILED STATEMENT CONTAINING THE LIMITATION ON AUTHORITY IS OF RECORD IN THE OFFICE FOR RECORDING TRANSFERS OF THAT REAL PROPERTY.

(6) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTIONS (4) AND (5) OF THIS SECTION AND IN SECTIONS 7-64-704 (3) AND 7-64- 805 (3), A PERSON NOT A PARTNER DOES NOT HAVE NOTICE OF A LIMITATION ON THE AUTHORITY OF A PARTNER MERELY BECAUSE THE LIMITATION IS CONTAINED IN A FILED STATEMENT.

7-64-304. Statement of denial. A PARTNER OR OTHER PERSON NAMED AS A PARTNER IN A FILED STATEMENT OF PARTNERSHIP AUTHORITY OR IN A LIST MAINTAINED BY AN AGENT PURSUANT TO SECTION 7-64-303 (2) MAY DELIVER TO THE SECRETARY OF STATE FOR FILING A STATEMENT OF DENIAL STATING THE NAME OF THE

PARTNERSHIP AND THE FACT THAT IS BEING DENIED, WHICH MAY INCLUDE DENIAL OF A PERSON'S AUTHORITY OR STATUS AS A PARTNER. A STATEMENT OF DENIAL IS A LIMITATION ON AUTHORITY AS PROVIDED IN SECTION 7-64-303 (4) AND (5).

7-64-305. Partnership liable for partner's actionable conduct. (1) A PARTNERSHIP IS LIABLE FOR LOSS OR INJURY CAUSED TO A PERSON, OR FOR A PENALTY INCURRED, AS A RESULT OF A WRONGFUL ACT OR OMISSION, OR OTHER ACTIONABLE CONDUCT, OF A PARTNER ACTING IN THE ORDINARY COURSE OF BUSINESS OF THE PARTNERSHIP OR WITH AUTHORITY OF THE PARTNERSHIP.

(2) IF, IN THE COURSE OF THE PARTNERSHIP'S BUSINESS OR WHILE ACTING WITH AUTHORITY OF THE PARTNERSHIP, A PARTNER RECEIVES OR CAUSES THE PARTNERSHIP TO RECEIVE MONEY OR PROPERTY OF A PERSON NOT A PARTNER, AND THE MONEY OR PROPERTY IS MISAPPLIED BY A PARTNER, THE PARTNERSHIP IS LIABLE FOR THE LOSS.

7-64-306. Partner's liability. (1) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, ALL PARTNERS ARE LIABLE JOINTLY AND SEVERALLY FOR ALL PARTNERSHIP OBLIGATIONS UNLESS OTHERWISE AGREED BY THE CLAIMANT OR PROVIDED BY LAW.

(2) A PERSON ADMITTED AS A PARTNER INTO AN EXISTING PARTNERSHIP IS NOT PERSONALLY LIABLE FOR ANY PARTNERSHIP OBLIGATIONS INCURRED BEFORE THE PERSON'S ADMISSION AS A PARTNER.

(3) EXCEPT AS OTHERWISE PROVIDED IN A WRITTEN PARTNERSHIP AGREEMENT, A PERSON IS NOT, SOLELY BY REASON OF BEING A PARTNER, LIABLE, DIRECTLY OR INDIRECTLY, INCLUDING BY WAY OF INDEMNIFICATION, CONTRIBUTION, ASSESSMENT, OR OTHERWISE, FOR PARTNERSHIP OBLIGATIONS WHICH ARE INCURRED, CREATED, OR ASSUMED BY THE PARTNERSHIP WHILE THE PARTNERSHIP IS A LIMITED LIABILITY PARTNERSHIP.

(4) A PARTNER IN A LIMITED LIABILITY PARTNERSHIP DOES NOT BECOME LIABLE, DIRECTLY OR INDIRECTLY, FOR PARTNERSHIP OBLIGATIONS INCURRED, CREATED, OR ASSUMED WHILE THE PARTNERSHIP WAS A LIMITED LIABILITY PARTNERSHIP MERELY BECAUSE THE PARTNERSHIP CEASES TO BE A LIMITED LIABILITY PARTNERSHIP.

7-64-307. Actions by and against partnership and partners. (1) A PARTNERSHIP MAY SUE AND BE SUED IN THE NAME OF THE PARTNERSHIP.

(2) AN ACTION MAY BE BROUGHT AGAINST THE PARTNERSHIP AND ANY OR ALL OF THE PARTNERS IN THE SAME ACTION OR IN SEPARATE ACTIONS.

(3) A JUDGMENT AGAINST A PARTNERSHIP IS NOT BY ITSELF A JUDGMENT AGAINST A PARTNER. A JUDGMENT AGAINST A PARTNERSHIP MAY NOT BE SATISFIED FROM THE ASSETS OF A PARTNER LIABLE AS PROVIDED IN SECTION 7-64-306 FOR THE PARTNERSHIP OBLIGATION UNLESS THERE IS ALSO A JUDGMENT AGAINST THE PARTNER FOR SUCH OBLIGATION.

(4) A JUDGMENT CREDITOR OF A PARTNER MAY NOT LEVY EXECUTION AGAINST THE ASSETS OF THE PARTNER TO SATISFY A JUDGMENT BASED ON A CLAIM AGAINST THE PARTNERSHIP UNLESS:

(a) THE CLAIM IS FOR A PARTNERSHIP OBLIGATION FOR WHICH THE PARTNER IS LIABLE AS PROVIDED IN SECTION 7-64-306 AND EITHER:

(I) A JUDGMENT BASED ON THE SAME CLAIM HAS BEEN OBTAINED AGAINST THE PARTNERSHIP AND A WRIT OF EXECUTION ON THE JUDGMENT HAS BEEN RETURNED UNSATISFIED IN WHOLE OR IN PART;

(II) THE PARTNERSHIP IS A DEBTOR IN BANKRUPTCY;

(III) THE PARTNER HAS AGREED THAT THE CREDITOR NEED NOT EXHAUST PARTNERSHIP ASSETS; OR

(IV) A COURT GRANTS PERMISSION TO THE JUDGMENT CREDITOR TO LEVY EXECUTION AGAINST THE ASSETS OF A PARTNER BASED ON A FINDING THAT PARTNERSHIP ASSETS SUBJECT TO EXECUTION ARE CLEARLY INSUFFICIENT TO SATISFY THE JUDGMENT, THAT EXHAUSTION OF PARTNERSHIP ASSETS IS EXCESSIVELY BURDENSOME, OR THAT THE GRANT OF PERMISSION IS AN APPROPRIATE EXERCISE OF THE COURT'S EQUITABLE POWERS; OR

(b) LIABILITY IS IMPOSED ON THE PARTNER BY LAW OR CONTRACT INDEPENDENT OF THE EXISTENCE OF THE PARTNERSHIP.

(5) THIS SECTION APPLIES TO ANY PARTNERSHIP OBLIGATION RESULTING FROM A REPRESENTATION BY A PARTNER OR PURPORTED PARTNER UNDER SECTION 7-64-308.

7-64-308. Liability of purported partner. (1) IF A PERSON, BY WORDS OR CONDUCT, PURPORTS TO BE A PARTNER, OR CONSENTS TO BEING REPRESENTED BY ANOTHER AS A PARTNER, IN A PARTNERSHIP OR WITH ONE OR MORE PERSONS NOT PARTNERS, THE PURPORTED PARTNER IS LIABLE TO A PERSON TO WHOM THE REPRESENTATION IS MADE, IF THAT PERSON, RELYING ON THE REPRESENTATION, ENTERS INTO A TRANSACTION WITH THE ACTUAL OR PURPORTED PARTNERSHIP EXCEPT THAT, IN THE CASE OF A LIMITED LIABILITY PARTNERSHIP, THE PERSON'S LIABILITY IS SUBJECT TO SECTION 7-64-306 AS IF THE PERSON WERE A PARTNER. IF THE REPRESENTATION, EITHER BY THE PURPORTED PARTNER OR BY A PERSON WITH THE PURPORTED PARTNER'S CONSENT, IS MADE IN A PUBLIC MANNER, THE PURPORTED PARTNER IS LIABLE TO A PERSON WHO RELIES UPON THE PURPORTED PARTNERSHIP EVEN IF THE PURPORTED PARTNER IS NOT AWARE OF BEING HELD OUT AS A PARTNER TO THE CLAIMANT. IF A PARTNERSHIP OBLIGATION RESULTS, THE PURPORTED PARTNER IS LIABLE WITH RESPECT TO THAT OBLIGATION AS IF THE PURPORTED PARTNER WERE A PARTNER. IF NO PARTNERSHIP OBLIGATION RESULTS, THE PURPORTED PARTNER IS LIABLE WITH RESPECT TO THAT LIABILITY JOINTLY AND SEVERALLY WITH ANY OTHER PERSON CONSENTING TO THE REPRESENTATION.

(2) IF A PERSON IS THUS REPRESENTED TO BE A PARTNER IN AN EXISTING PARTNERSHIP, OR WITH ONE OR MORE PERSONS NOT PARTNERS, THE PURPORTED PARTNER IS AN AGENT OF PERSONS CONSENTING TO THE REPRESENTATION TO BIND THEM TO THE SAME EXTENT AND IN THE SAME MANNER AS IF THE PURPORTED PARTNER WERE A PARTNER, WITH RESPECT TO PERSONS WHO ENTER INTO TRANSACTIONS IN RELIANCE UPON THE REPRESENTATION. IF ALL OF THE PARTNERS OF THE EXISTING PARTNERSHIP CONSENT TO THE REPRESENTATION, A PARTNERSHIP ACT OR PARTNERSHIP OBLIGATION RESULTS. IF FEWER THAN ALL OF THE PARTNERS

OF THE EXISTING PARTNERSHIP CONSENT TO THE REPRESENTATION, THE PERSON ACTING AND THE PARTNERS CONSENTING TO THE REPRESENTATION ARE JOINTLY AND SEVERALLY LIABLE.

(3) A PERSON IS NOT LIABLE AS A PARTNER MERELY BECAUSE THE PERSON IS NAMED BY ANOTHER IN A STATEMENT OF PARTNERSHIP AUTHORITY.

(4) A PERSON DOES NOT CONTINUE TO BE LIABLE AS A PARTNER MERELY BECAUSE OF A FAILURE TO DELIVER TO THE SECRETARY OF STATE FOR FILING A STATEMENT OF DISSOCIATION OR AN AMENDMENT OF A STATEMENT OF PARTNERSHIP AUTHORITY TO INDICATE THE PARTNER'S DISSOCIATION FROM THE PARTNERSHIP.

(5) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTIONS (1) AND (2) OF THIS SECTION, PERSONS WHO ARE NOT PARTNERS AS TO EACH OTHER ARE NOT LIABLE AS PARTNERS TO OTHER PERSONS.

PART 4
RELATIONS OF PARTNERS TO EACH OTHER
AND TO PARTNERSHIP

7-64-401. Partner's rights and duties. (1) EACH PARTNER IS DEEMED TO HAVE AN ACCOUNT THAT IS:

(a) CREDITED WITH AN AMOUNT EQUAL TO THE MONEY PLUS THE VALUE OF ANY OTHER PROPERTY, NET OF THE AMOUNT OF ANY LIABILITIES, THE PARTNER CONTRIBUTES TO THE PARTNERSHIP AND THE PARTNER'S SHARE OF THE PARTNERSHIP PROFITS; AND

(b) CHARGED WITH AN AMOUNT EQUAL TO THE MONEY PLUS THE VALUE OF ANY OTHER PROPERTY, NET OF THE AMOUNT OF ANY LIABILITIES, DISTRIBUTED BY THE PARTNERSHIP TO THE PARTNER AND THE PARTNER'S SHARE OF THE PARTNERSHIP LOSSES.

(2) EACH PARTNER IS ENTITLED TO AN EQUAL SHARE OF THE PARTNERSHIP PROFITS AND IS CHARGEABLE WITH A SHARE OF THE PARTNERSHIP LOSSES IN PROPORTION TO THE PARTNER'S SHARE OF THE PROFITS.

(3) A PARTNERSHIP SHALL REIMBURSE A PARTNER FOR PAYMENTS MADE AND INDEMNIFY A PARTNER FOR LIABILITIES INCURRED BY THE PARTNER IN THE ORDINARY COURSE OF THE BUSINESS OF THE PARTNERSHIP OR FOR THE PRESERVATION OF ITS BUSINESS OR PROPERTY; PROVIDED, HOWEVER, THAT SUCH PAYMENTS WERE MADE OR LIABILITIES INCURRED WITHOUT VIOLATION OF THE PARTNER'S DUTIES TO THE PARTNERSHIP OR THE OTHER PARTNERS.

(4) A PARTNERSHIP SHALL REIMBURSE A PARTNER FOR AN ADVANCE TO THE PARTNERSHIP BEYOND THE AMOUNT OF CAPITAL THE PARTNER AGREED TO CONTRIBUTE.

(5) A PAYMENT OR ADVANCE MADE BY A PARTNER WHICH GIVES RISE TO A PARTNERSHIP OBLIGATION UNDER SUBSECTION (3) OR (4) OF THIS SECTION CONSTITUTES A LOAN TO THE PARTNERSHIP WHICH ACCRUES INTEREST FROM THE

DATE OF THE PAYMENT OR ADVANCE.

(6) EACH PARTNER HAS EQUAL RIGHTS IN THE MANAGEMENT AND CONDUCT OF THE PARTNERSHIP BUSINESS.

(7) A PARTNER MAY USE OR POSSESS PARTNERSHIP PROPERTY ONLY ON BEHALF OF THE PARTNERSHIP.

(8) A PARTNER IS NOT ENTITLED TO REMUNERATION FOR SERVICES PERFORMED FOR THE PARTNERSHIP EXCEPT FOR REASONABLE COMPENSATION FOR SERVICES RENDERED IN WINDING UP THE BUSINESS OF THE PARTNERSHIP.

(9) A PERSON MAY BECOME A PARTNER ONLY WITH THE CONSENT OF ALL OF THE PARTNERS.

(10) A DIFFERENCE ARISING AS TO A MATTER IN THE ORDINARY COURSE OF BUSINESS OF A PARTNERSHIP MAY BE DECIDED BY A MAJORITY OF THE PARTNERS. AN ACT OUTSIDE THE ORDINARY COURSE OF BUSINESS OF A PARTNERSHIP AND AN AMENDMENT TO THE PARTNERSHIP AGREEMENT MAY BE UNDERTAKEN ONLY WITH THE CONSENT OF ALL OF THE PARTNERS.

(11) THIS SECTION DOES NOT AFFECT THE OBLIGATIONS OF A PARTNERSHIP TO OTHER PERSONS UNDER SECTION 7-64-301.

7-64-402. Distributions in kind. A PARTNER HAS NO RIGHT TO RECEIVE, AND MAY NOT BE REQUIRED TO ACCEPT, A DISTRIBUTION IN KIND.

7-64-403. Partner's rights and duties with respect to information. (1) A PARTNERSHIP SHALL KEEP ITS BOOKS AND RECORDS, IF ANY, AT ITS CHIEF EXECUTIVE OFFICE.

(2) A PARTNERSHIP SHALL PROVIDE PARTNERS AND THEIR AGENTS AND ATTORNEYS ACCESS TO ITS BOOKS AND RECORDS. IT SHALL PROVIDE FORMER PARTNERS AND THEIR AGENTS AND ATTORNEYS ACCESS TO BOOKS AND RECORDS PERTAINING TO THE PERIOD DURING WHICH THEY WERE PARTNERS. THE RIGHT OF ACCESS PROVIDES THE OPPORTUNITY TO INSPECT AND COPY BOOKS AND RECORDS DURING ORDINARY BUSINESS HOURS. A PARTNERSHIP MAY IMPOSE A REASONABLE CHARGE, COVERING THE COSTS OF LABOR AND MATERIAL, FOR COPIES OF DOCUMENTS FURNISHED.

(3) EACH PARTNER AND THE PARTNERSHIP SHALL FURNISH TO A PARTNER, AND TO THE LEGAL REPRESENTATIVE OF A DECEASED PARTNER OR PARTNER UNDER LEGAL DISABILITY:

(a) WITHOUT DEMAND, ANY INFORMATION CONCERNING THE PARTNERSHIP'S BUSINESS AND AFFAIRS REASONABLY REQUIRED FOR THE PROPER EXERCISE OF THE PARTNER'S RIGHTS AND DUTIES UNDER THE PARTNERSHIP AGREEMENT OR THIS ARTICLE; AND

(b) ON DEMAND, ANY OTHER INFORMATION CONCERNING THE PARTNERSHIP'S BUSINESS AND AFFAIRS, EXCEPT TO THE EXTENT THE DEMAND OR THE INFORMATION DEMANDED IS UNREASONABLE OR OTHERWISE IMPROPER UNDER THE CIRCUMSTANCES.

7-64-404. General standards of partner's conduct. (1) THE DUTIES A PARTNER OWES TO THE PARTNERSHIP AND THE OTHER PARTNERS, IN ADDITION TO THOSE ESTABLISHED ELSEWHERE IN THIS ARTICLE, INCLUDE THE DUTIES TO:

(a) ACCOUNT TO THE PARTNERSHIP AND HOLD AS TRUSTEE FOR IT ANY PROPERTY, PROFIT, OR BENEFIT DERIVED BY THE PARTNER IN THE CONDUCT OR WINDING UP OF THE PARTNERSHIP BUSINESS OR DERIVED FROM A USE BY THE PARTNER OF PARTNERSHIP PROPERTY, INCLUDING THE APPROPRIATION OF A PARTNERSHIP OPPORTUNITY;

(b) REFRAIN FROM DEALING WITH THE PARTNERSHIP IN THE CONDUCT OR WINDING UP OF THE PARTNERSHIP BUSINESS AS OR ON BEHALF OF A PARTY HAVING AN INTEREST ADVERSE TO THE PARTNERSHIP;

(c) REFRAIN FROM COMPETING WITH THE PARTNERSHIP IN THE CONDUCT OF THE PARTNERSHIP BUSINESS BEFORE THE DISSOLUTION OF THE PARTNERSHIP; AND

(d) COMPLY WITH THE PROVISIONS OF THE PARTNERSHIP AGREEMENT.

(2) A PARTNER OWES TO THE PARTNERSHIP AND THE OTHER PARTNERS A DUTY OF CARE IN THE CONDUCT AND WINDING UP OF THE PARTNERSHIP BUSINESS WHICH SHALL BE LIMITED TO REFRAINING FROM ENGAGING IN GROSSLY NEGLIGENT OR RECKLESS CONDUCT, INTENTIONAL MISCONDUCT, OR A KNOWING VIOLATION OF LAW.

(3) A PARTNER SHALL DISCHARGE THE PARTNER'S DUTIES TO THE PARTNERSHIP AND THE OTHER PARTNERS AND EXERCISE ANY RIGHTS CONSISTENTLY WITH THE OBLIGATION OF GOOD FAITH AND FAIR DEALING.

(4) A PARTNER DOES NOT VIOLATE A DUTY OR OBLIGATION TO THE PARTNERSHIP OR THE OTHER PARTNERS SOLELY BECAUSE THE PARTNER'S CONDUCT FURTHERS THE PARTNER'S OWN INTEREST.

(5) A PARTNER MAY LEND MONEY TO AND TRANSACT OTHER BUSINESS WITH THE PARTNERSHIP, AND AS TO EACH LOAN OR TRANSACTION THE RIGHTS AND OBLIGATIONS OF THE PARTNER MAY BE EXERCISED OR PERFORMED IN THE SAME MANNER AS THOSE OF A PERSON WHO IS NOT A PARTNER, SUBJECT TO OTHER APPLICABLE LAW.

(6) IF A PARTNERSHIP IS FORMED, THE DUTIES A PARTNER OWES TO THE PARTNERSHIP AND THE OTHER PARTNERS PERTAIN TO ALL TRANSACTIONS CONNECTED WITH THE FORMATION, CONDUCT, OR LIQUIDATION OF THE PARTNERSHIP.

(7) THIS SECTION APPLIES TO A PERSON WINDING UP THE PARTNERSHIP BUSINESS AS THE PERSONAL OR LEGAL REPRESENTATIVE OF THE LAST SURVIVING PARTNER AS IF THE PERSON WERE A PARTNER.

7-64-405. Actions by partnership and partners. (1) A PARTNERSHIP MAY MAINTAIN AN ACTION AGAINST A PARTNER FOR A BREACH OF THE PARTNERSHIP AGREEMENT, OR FOR THE VIOLATION OF A DUTY TO THE PARTNERSHIP, CAUSING HARM TO THE PARTNERSHIP.

(2) A PARTNER MAY MAINTAIN AN ACTION AGAINST THE PARTNERSHIP OR ANOTHER

PARTNER FOR LEGAL OR EQUITABLE RELIEF, WITH OR WITHOUT AN ACCOUNTING AS TO PARTNERSHIP BUSINESS, TO:

(a) ENFORCE THE PARTNER'S RIGHTS UNDER THE PARTNERSHIP AGREEMENT;

(b) ENFORCE THE PARTNER'S RIGHTS UNDER THIS ARTICLE, INCLUDING:

(I) THE PARTNER'S RIGHTS UNDER SECTION 7-64-401, 7-64-403, OR 7-64-404;

(II) THE PARTNER'S RIGHT ON DISSOCIATION TO HAVE THE PARTNER'S INTEREST IN THE PARTNERSHIP PURCHASED PURSUANT TO SECTION 7-64-701 OR ENFORCE ANY OTHER RIGHT UNDER PART 6 OR PART 7 OF THIS ARTICLE; OR

(III) THE PARTNER'S RIGHT TO COMPEL A DISSOLUTION AND WINDING UP OF THE PARTNERSHIP BUSINESS UNDER SECTION 7-64-801 OR ENFORCE ANY OTHER RIGHT UNDER PART 8 OF THIS ARTICLE; OR

(c) ENFORCE THE RIGHTS AND OTHERWISE PROTECT THE INTERESTS OF THE PARTNER, INCLUDING RIGHTS AND INTERESTS ARISING INDEPENDENTLY OF THE PARTNERSHIP RELATIONSHIP.

(3) THE ACCRUAL OF, AND ANY TIME LIMITATION ON, A RIGHT OF ACTION FOR A REMEDY UNDER THIS SECTION IS GOVERNED BY OTHER LAW. A RIGHT TO AN ACCOUNTING UPON A DISSOLUTION AND WINDING UP DOES NOT REVIVE A CLAIM BARRED BY LAW.

7-64-406. Continuation of partnership beyond definite term or particular undertaking. (1) IF A PARTNERSHIP FOR A DEFINITE TERM OR PARTICULAR UNDERTAKING IS CONTINUED, WITHOUT AN EXPRESS AGREEMENT, AFTER THE EXPIRATION OF THE TERM OR COMPLETION OF THE UNDERTAKING, THE RIGHTS AND DUTIES OF THE PARTNERS REMAIN THE SAME AS THEY WERE AT THE EXPIRATION OR COMPLETION, SO FAR AS IS CONSISTENT WITH A PARTNERSHIP AT WILL.

(2) IF THE PARTNERS, OR THOSE OF THEM WHO HABITUALLY ACTED IN THE BUSINESS DURING THE TERM OR UNDERTAKING, CONTINUE THE BUSINESS WITHOUT ANY SETTLEMENT OR LIQUIDATION OF THE PARTNERSHIP, THEY ARE PRESUMED TO HAVE AGREED THAT THE PARTNERSHIP WILL CONTINUE.

PART 5

TRANSFEREES AND CREDITORS OF PARTNER

7-64-501. Partner not co-owner of partnership property. A PARTNER IS NOT A CO-OWNER OF PARTNERSHIP PROPERTY AND HAS NO INTEREST IN PARTNERSHIP PROPERTY WHICH CAN BE TRANSFERRED, EITHER VOLUNTARILY OR INVOLUNTARILY.

7-64-502. Partner's transferable interest in partnership. A PARTNER'S TRANSFERABLE INTEREST IS PERSONAL PROPERTY. ONLY A PARTNER'S TRANSFERABLE INTEREST MAY BE TRANSFERRED.

7-64-503. Transfer of partner's transferable interest. (1) A TRANSFER, IN WHOLE OR IN PART, OF A PARTNER'S TRANSFERABLE INTEREST IN THE PARTNERSHIP:

(a) IS PERMISSIBLE;

(b) DOES NOT BY ITSELF CAUSE THE PARTNER'S DISSOCIATION OR A DISSOLUTION AND WINDING UP OF THE PARTNERSHIP BUSINESS; AND

(c) DOES NOT ENTITLE THE TRANSFEREE TO PARTICIPATE IN THE MANAGEMENT OR CONDUCT OF THE PARTNERSHIP BUSINESS, TO REQUIRE ACCESS TO INFORMATION CONCERNING PARTNERSHIP TRANSACTIONS, OR TO INSPECT OR COPY THE PARTNERSHIP BOOKS OR RECORDS.

(2) A TRANSFEREE OF A PARTNER'S TRANSFERABLE INTEREST IN THE PARTNERSHIP HAS A RIGHT:

(a) TO RECEIVE, IN ACCORDANCE WITH THE TRANSFER, DISTRIBUTIONS TO WHICH THE TRANSFEROR WOULD OTHERWISE BE ENTITLED;

(b) TO RECEIVE UPON THE DISSOLUTION AND WINDING UP OF THE PARTNERSHIP BUSINESS, IN ACCORDANCE WITH THE TRANSFER, THE NET AMOUNT OTHERWISE DISTRIBUTABLE TO THE TRANSFEROR; AND

(c) TO SEEK UNDER SECTION 7-64-801 (1) (f) A JUDICIAL DETERMINATION THAT IT IS EQUITABLE TO WIND UP THE PARTNERSHIP BUSINESS.

(3) IN A DISSOLUTION AND WINDING UP, A TRANSFEREE IS ENTITLED TO AN ACCOUNT OF PARTNERSHIP TRANSACTIONS ONLY FROM THE DATE OF THE LATEST ACCOUNT AGREED TO BY ALL OF THE PARTNERS.

(4) UPON TRANSFER, THE TRANSFEROR RETAINS THE RIGHTS AND DUTIES OF A PARTNER OTHER THAN THE INTEREST TRANSFERRED.

(5) A PARTNERSHIP NEED NOT GIVE EFFECT TO A TRANSFEREE'S RIGHTS UNDER THIS SECTION UNTIL IT HAS NOTICE OF THE TRANSFER. ON REQUEST OF THE PARTNERSHIP OR ANY PARTNER, THE TRANSFEREE SHALL FURNISH REASONABLE PROOF OF THE TRANSFER.

(6) A TRANSFER OF A PARTNER'S TRANSFERABLE INTEREST IN THE PARTNERSHIP IN VIOLATION OF A RESTRICTION ON TRANSFER CONTAINED IN THE PARTNERSHIP AGREEMENT IS INEFFECTIVE AS TO A PERSON HAVING NOTICE OF THE RESTRICTION AT THE TIME OF TRANSFER.

7-64-504. Partner's transferable interest subject to charging order. (1) ON APPLICATION BY A JUDGMENT CREDITOR OF A PARTNER OR OF A PARTNER'S TRANSFEREE, A COURT HAVING JURISDICTION MAY CHARGE THE TRANSFERABLE INTEREST OF THE JUDGMENT DEBTOR TO SATISFY THE JUDGMENT. THE COURT MAY APPOINT A RECEIVER OF THE SHARE OF THE DISTRIBUTIONS DUE OR TO BECOME DUE TO THE JUDGMENT DEBTOR IN RESPECT OF THE PARTNERSHIP AND MAKE ALL OTHER ORDERS, DIRECTIONS, ACCOUNTS, AND INQUIRIES THE JUDGMENT DEBTOR MIGHT HAVE MADE OR WHICH THE CIRCUMSTANCES OF THE CASE MAY REQUIRE.

(2) A CHARGING ORDER CONSTITUTES A LIEN ON THE JUDGMENT DEBTOR'S TRANSFERABLE INTEREST IN THE PARTNERSHIP. THE COURT MAY ORDER A

FORECLOSURE OF THE TRANSFERABLE INTEREST SUBJECT TO THE CHARGING ORDER AT ANY TIME. THE PURCHASER AT THE FORECLOSURE SALE HAS THE RIGHTS OF A TRANSFEREE.

(3) AT ANY TIME BEFORE FORECLOSURE, A TRANSFERABLE INTEREST CHARGED MAY BE REDEEMED:

(a) BY THE JUDGMENT DEBTOR;

(b) WITH PROPERTY OTHER THAN PARTNERSHIP PROPERTY, BY ONE OR MORE OF THE OTHER PARTNERS; OR

(c) BY THE PARTNERSHIP WITH THE CONSENT OF ALL OF THE PARTNERS WHOSE TRANSFERABLE INTERESTS ARE NOT SO CHARGED OR WITH SUCH LESSER CONSENT AS MAY BE PERMITTED BY THE PARTNERSHIP AGREEMENT.

(4) THIS ARTICLE DOES NOT DEPRIVE A PARTNER OF A RIGHT UNDER EXEMPTION LAWS WITH RESPECT TO THE PARTNER'S TRANSFERABLE INTEREST IN THE PARTNERSHIP.

(5) THIS SECTION PROVIDES THE EXCLUSIVE REMEDY BY WHICH A JUDGMENT CREDITOR OF A PARTNER OR PARTNER'S TRANSFEREE MAY SATISFY A JUDGMENT OUT OF THE JUDGMENT DEBTOR'S TRANSFERABLE INTEREST IN THE PARTNERSHIP.

PART 6 PARTNER'S DISSOCIATION

7-64-601. Events causing partner's dissociation. (1) A PARTNER IS DISSOCIATED FROM A PARTNERSHIP UPON THE OCCURRENCE OF ANY OF THE FOLLOWING EVENTS:

(a) THE PARTNERSHIP'S HAVING NOTICE OF THE PARTNER'S EXPRESS WILL TO WITHDRAW AS A PARTNER, EXCEPT THAT, IF THE PARTNERSHIP HAS NOTICE THAT THE PARTNER'S WILL IS TO WITHDRAW AT A LATER DATE, THEN THE DISSOCIATION SHALL OCCUR AT THE LATER DATE SPECIFIED BY THE PARTNER;

(b) AN EVENT AGREED TO IN THE PARTNERSHIP AGREEMENT AS CAUSING THE PARTNER'S DISSOCIATION;

(c) THE PARTNER'S EXPULSION PURSUANT TO THE PARTNERSHIP AGREEMENT;

(d) THE PARTNER'S EXPULSION BY THE UNANIMOUS VOTE OF THE OTHER PARTNERS IF:

(I) IT IS UNLAWFUL TO CARRY ON THE PARTNERSHIP BUSINESS WITH THAT PARTNER;

(II) THERE HAS BEEN A TRANSFER OF ALL OR SUBSTANTIALLY ALL OF THAT PARTNER'S TRANSFERABLE INTEREST, OTHER THAN A TRANSFER FOR SECURITY PURPOSES WHICH HAS NOT BEEN FORECLOSED, OR A COURT ORDER CHARGING THE PARTNER'S INTEREST WHICH HAS NOT BEEN FORECLOSED;

(III) WITHIN NINETY DAYS AFTER THE PARTNERSHIP NOTIFIES A CORPORATE PARTNER THAT IT WILL BE EXPELLED BECAUSE IT HAS BEEN DISSOLVED OR ITS RIGHT TO CONDUCT BUSINESS HAS BEEN SUSPENDED BY THE JURISDICTION OF ITS INCORPORATION, THERE IS NO REVOCATION OF THE DISSOLUTION OR NO REINSTATEMENT OF ITS RIGHT TO CONDUCT BUSINESS; OR

(IV) A PARTNERSHIP, LIMITED PARTNERSHIP, LIMITED PARTNERSHIP ASSOCIATION, OR LIMITED LIABILITY COMPANY THAT IS A PARTNER HAS BEEN DISSOLVED AND ITS BUSINESS IS BEING WOUND UP;

(e) ON APPLICATION BY THE PARTNERSHIP OR ANOTHER PARTNER, THE PARTNER'S EXPULSION BY JUDICIAL DETERMINATION BECAUSE:

(I) THE PARTNER ENGAGED IN WRONGFUL CONDUCT THAT ADVERSELY AND MATERIALLY AFFECTED THE PARTNERSHIP BUSINESS;

(II) THE PARTNER WILLFULLY OR PERSISTENTLY COMMITTED A MATERIAL BREACH OF THE PARTNERSHIP AGREEMENT OR OF A DUTY OWED TO THE PARTNERSHIP OR THE OTHER PARTNERS UNDER SECTION 7-64-404; OR

(III) THE PARTNER ENGAGED IN CONDUCT RELATING TO THE PARTNERSHIP BUSINESS WHICH MAKES IT NOT REASONABLY PRACTICABLE TO CARRY ON THE BUSINESS IN PARTNERSHIP WITH THE PARTNER;

(f) THE PARTNER'S:

(I) BECOMING A DEBTOR IN BANKRUPTCY;

(II) EXECUTING AN ASSIGNMENT FOR THE BENEFIT OF CREDITORS;

(III) SEEKING, CONSENTING TO, OR ACQUIESCING IN THE APPOINTMENT OF A TRUSTEE, RECEIVER, OR LIQUIDATOR OF THAT PARTNER OR OF ALL OR SUBSTANTIALLY ALL OF THAT PARTNER'S PROPERTY; OR

(IV) FAILING, WITHIN NINETY DAYS AFTER THE APPOINTMENT, TO HAVE VACATED OR STAYED THE APPOINTMENT OF A TRUSTEE, RECEIVER, OR LIQUIDATOR OF THE PARTNER OR OF ALL OR SUBSTANTIALLY ALL OF THE PARTNER'S PROPERTY OBTAINED WITHOUT THE PARTNER'S CONSENT OR ACQUIESCENCE, OR FAILING WITHIN NINETY DAYS AFTER THE EXPIRATION OF A STAY TO HAVE THE APPOINTMENT VACATED;

(g) IN THE CASE OF A PARTNER WHO IS AN INDIVIDUAL:

(I) THE PARTNER'S DEATH;

(II) THE APPOINTMENT OF A GUARDIAN OR GENERAL CONSERVATOR FOR THE PARTNER; OR

(III) A JUDICIAL DETERMINATION THAT THE PARTNER HAS OTHERWISE BECOME INCAPABLE OF PERFORMING THE PARTNER'S DUTIES UNDER THE PARTNERSHIP AGREEMENT;

(h) IN THE CASE OF A PARTNER THAT IS A TRUST OR IS ACTING AS A PARTNER BY VIRTUE OF BEING A TRUSTEE OF A TRUST, DISTRIBUTION OF THE TRUST'S ENTIRE TRANSFERABLE INTEREST IN THE PARTNERSHIP, BUT NOT MERELY BY REASON OF THE SUBSTITUTION OF A SUCCESSOR TRUSTEE;

(i) IN THE CASE OF A PARTNER THAT IS AN ESTATE OR IS ACTING AS A PARTNER BY VIRTUE OF BEING A PERSONAL REPRESENTATIVE OF AN ESTATE, DISTRIBUTION OF THE ESTATE'S ENTIRE TRANSFERABLE INTEREST IN THE PARTNERSHIP, BUT NOT MERELY BY REASON OF THE SUBSTITUTION OF A SUCCESSOR PERSONAL REPRESENTATIVE; OR

(j) TERMINATION OF A PARTNER'S EXISTENCE.

7-64-602. Partner's power to dissociate - wrongful dissociation. (1) A PARTNER HAS THE POWER TO DISSOCIATE AT ANY TIME, RIGHTFULLY OR WRONGFULLY, BY EXPRESS WILL PURSUANT TO SECTION 7-64-601 (1) (a).

(2) A PARTNER'S DISSOCIATION IS WRONGFUL ONLY IF:

(a) IT IS IN BREACH OF AN EXPRESS PROVISION OF THE PARTNERSHIP AGREEMENT;
OR

(b) IN THE CASE OF A PARTNERSHIP FOR A DEFINITE TERM OR PARTICULAR UNDERTAKING, BEFORE THE EXPIRATION OF THE TERM OR THE COMPLETION OF THE UNDERTAKING:

(I) THE PARTNER WITHDRAWS BY EXPRESS WILL, UNLESS THE WITHDRAWAL FOLLOWS WITHIN NINETY DAYS AFTER ANOTHER PARTNER'S DISSOCIATION BY DEATH OR OTHERWISE UNDER SECTION 7-64-601 (1) (f) TO (1) (j) OR WRONGFUL DISSOCIATION UNDER THIS SUBSECTION (2);

(II) THE PARTNER IS EXPELLED BY JUDICIAL DETERMINATION UNDER SECTION 7-64-601 (1) (e);

(III) THE PARTNER IS DISSOCIATED UNDER SECTION 7-64-601 (1) (f); OR

(IV) IN THE CASE OF A PARTNER WHO IS NOT AN INDIVIDUAL, TRUST OTHER THAN A BUSINESS TRUST, OR ESTATE, THE PARTNER IS EXPELLED OR OTHERWISE DISSOCIATED BECAUSE IT WILLFULLY DISSOLVED OR TERMINATED.

(3) A PARTNER WHO WRONGFULLY DISSOCIATES IS LIABLE TO THE PARTNERSHIP AND TO THE OTHER PARTNERS FOR DAMAGES CAUSED BY THE DISSOCIATION. THE LIABILITY IS IN ADDITION TO ANY OTHER OBLIGATION OF THE PARTNER TO THE PARTNERSHIP OR TO THE OTHER PARTNERS.

7-64-603. Effect of partner's dissociation. (1) IF A PARTNER'S DISSOCIATION RESULTS IN A DISSOLUTION AND WINDING UP OF THE PARTNERSHIP BUSINESS, PART 8 OF THIS ARTICLE APPLIES; OTHERWISE, PART 7 OF THIS ARTICLE APPLIES.

(2) UPON A PARTNER'S DISSOCIATION:

(a) THE PARTNER'S RIGHT TO PARTICIPATE IN THE MANAGEMENT AND CONDUCT OF

THE PARTNERSHIP BUSINESS TERMINATES, EXCEPT AS OTHERWISE PROVIDED IN SECTION 7-64-803;

(b) THE PARTNER'S DUTIES UNDER SECTION 7-64-404 (1) (c) TERMINATE; AND

(c) THE PARTNER'S DUTIES UNDER SECTION 7-64-404 (1) (a), (1) (b), AND (2) CONTINUE ONLY WITH REGARD TO MATTERS ARISING AND EVENTS OCCURRING BEFORE THE PARTNER'S DISSOCIATION, UNLESS THE PARTNER PARTICIPATES IN WINDING UP THE PARTNERSHIP'S BUSINESS PURSUANT TO SECTION 7-64-803.

**PART 7
PARTNER'S DISSOCIATION WHEN
BUSINESS NOT WOUND UP**

7-64-701. Purchase of dissociated partner's interest. (1) IF A PARTNER IS DISSOCIATED FROM A PARTNERSHIP WITHOUT RESULTING IN A DISSOLUTION AND WINDING UP OF THE PARTNERSHIP BUSINESS UNDER SECTION 7-64-801, THE PARTNERSHIP SHALL CAUSE THE DISSOCIATED PARTNER'S INTEREST IN THE PARTNERSHIP TO BE PURCHASED FOR A BUYOUT PRICE DETERMINED PURSUANT TO SUBSECTION (2) OF THIS SECTION.

(2) THE BUYOUT PRICE OF A DISSOCIATED PARTNER'S INTEREST IS AN AMOUNT EQUAL TO THE VALUE OF THE PARTNER'S INTEREST IN THE PARTNERSHIP. INTEREST SHALL BE PAID FROM THE DATE OF DISSOCIATION TO THE DATE OF PAYMENT.

(3) DAMAGES FOR WRONGFUL DISSOCIATION UNDER SECTION 7-64-602 (2), AND ALL OTHER AMOUNTS OWING, WHETHER OR NOT PRESENTLY DUE, FROM THE DISSOCIATED PARTNER TO THE PARTNERSHIP, SHALL BE OFFSET AGAINST THE BUYOUT PRICE. INTEREST SHALL BE PAID FROM THE DATE THE AMOUNT OWED BECOMES DUE TO THE DATE OF PAYMENT.

(4) A PARTNERSHIP SHALL INDEMNIFY A DISSOCIATED PARTNER WHOSE INTEREST IS BEING PURCHASED AGAINST ALL PARTNERSHIP OBLIGATIONS, WHETHER INCURRED BEFORE OR AFTER THE DISSOCIATION, EXCEPT PARTNERSHIP OBLIGATIONS INCURRED BY AN ACT OF THE DISSOCIATED PARTNER UNDER SECTION 7-64-702.

(5) IF NO AGREEMENT FOR THE PURCHASE OF A DISSOCIATED PARTNER'S INTEREST IS REACHED WITHIN ONE HUNDRED TWENTY DAYS AFTER A WRITTEN DEMAND FOR PAYMENT, THE PARTNERSHIP SHALL PAY, OR CAUSE TO BE PAID, IN CASH TO THE DISSOCIATED PARTNER THE AMOUNT THE PARTNERSHIP ESTIMATES TO BE THE BUYOUT PRICE AND ACCRUED INTEREST, REDUCED BY ANY OFFSETS AND ACCRUED INTEREST UNDER SUBSECTION (3) OF THIS SECTION.

(6) IF A DEFERRED PAYMENT IS AUTHORIZED UNDER SUBSECTION (8) OF THIS SECTION, THE PARTNERSHIP MAY TENDER A WRITTEN OFFER TO PAY THE AMOUNT IT ESTIMATES TO BE THE BUYOUT PRICE AND ACCRUED INTEREST, REDUCED BY ANY OFFSETS UNDER SUBSECTION (3) OF THIS SECTION, STATING THE TIME OF PAYMENT, THE AMOUNT AND TYPE OF SECURITY FOR PAYMENT, AND THE OTHER TERMS AND CONDITIONS OF THE OBLIGATION.

(7) THE PAYMENT OR TENDER REQUIRED BY SUBSECTION (5) OR (6) OF THIS

SECTION SHALL BE ACCOMPANIED BY THE FOLLOWING:

(a) A WRITTEN STATEMENT OF PARTNERSHIP ASSETS AND LIABILITIES AS OF THE DATE OF DISSOCIATION;

(b) THE LATEST AVAILABLE PARTNERSHIP BALANCE SHEET AND INCOME STATEMENT, IF ANY;

(c) A WRITTEN EXPLANATION OF HOW THE ESTIMATED AMOUNT OF THE PAYMENT WAS CALCULATED; AND

(d) A WRITTEN STATEMENT THAT THE PAYMENT IS IN FULL SATISFACTION OF THE OBLIGATION TO PURCHASE UNLESS, WITHIN ONE HUNDRED TWENTY DAYS AFTER RECEIPT OF THE WRITTEN STATEMENT, THE DISSOCIATED PARTNER COMMENCES AN ACTION TO DETERMINE THE BUYOUT PRICE, ANY OFFSETS UNDER SUBSECTION (3) OF THIS SECTION, OR OTHER TERMS OF THE OBLIGATION TO PURCHASE.

(8) PAYMENT OF ANY PORTION OF THE BUYOUT PRICE TO A PARTNER WHO WRONGFULLY DISSOCIATES BEFORE THE EXPIRATION OF A DEFINITE TERM OR THE COMPLETION OF A PARTICULAR UNDERTAKING MAY BE DEFERRED UNTIL THE EXPIRATION OF THE TERM OR COMPLETION OF THE UNDERTAKING, UNLESS THE PARTNER ESTABLISHES TO THE SATISFACTION OF THE COURT THAT EARLIER PAYMENT WILL NOT CAUSE UNDUE HARDSHIP TO THE BUSINESS OF THE PARTNERSHIP. A DEFERRED PAYMENT SHALL BE ADEQUATELY SECURED AND BEAR INTEREST.

(9) A DISSOCIATED PARTNER MAY MAINTAIN AN ACTION AGAINST THE PARTNERSHIP, PURSUANT TO SECTION 7-64-405 (2) (b) (II), TO DETERMINE THE BUYOUT PRICE OF THAT PARTNER'S INTEREST, ANY OFFSETS UNDER SUBSECTION (3) OF THIS SECTION, OR OTHER TERMS OF THE OBLIGATION TO PURCHASE. THE ACTION SHALL BE COMMENCED WITHIN ONE HUNDRED TWENTY DAYS AFTER THE PARTNERSHIP HAS TENDERED PAYMENT OR AN OFFER TO PAY OR WITHIN ONE YEAR AFTER WRITTEN DEMAND FOR PAYMENT IF NO PAYMENT OR OFFER TO PAY IS TENDERED. THE COURT SHALL DETERMINE THE BUYOUT PRICE OF THE DISSOCIATED PARTNER'S INTEREST, ANY OFFSET DUE UNDER SUBSECTION (3) OF THIS SECTION, AND ACCRUED INTEREST AND ENTER JUDGMENT FOR ANY ADDITIONAL PAYMENT OR REFUND. IF DEFERRED PAYMENT IS AUTHORIZED UNDER SUBSECTION (8) OF THIS SECTION, THE COURT SHALL ALSO DETERMINE THE SECURITY FOR PAYMENT AND OTHER TERMS OF THE OBLIGATION TO PURCHASE. THE COURT MAY ASSESS REASONABLE ATTORNEYS' FEES AND THE FEES AND EXPENSES OF APPRAISERS OR OTHER EXPERTS FOR A PARTY TO THE ACTION, IN AMOUNTS THE COURT FINDS EQUITABLE, AGAINST A PARTY THAT THE COURT FINDS ACTED ARBITRARILY, VEXATIOUSLY, OR NOT IN GOOD FAITH. THE FINDING MAY BE BASED ON THE PARTNERSHIP'S FAILURE TO TENDER PAYMENT OR AN OFFER TO PAY OR TO COMPLY WITH SUBSECTION (7) OF THIS SECTION.

7-64-702. Dissociated partner's power to bind and liability to partnership.

(1) FOR TWO YEARS AFTER A PARTNER DISSOCIATES WITHOUT RESULTING IN A DISSOLUTION AND WINDING UP OF THE PARTNERSHIP BUSINESS, THE PARTNERSHIP, INCLUDING A SURVIVING PARTNERSHIP UNDER PART 9 OF THIS ARTICLE, IS BOUND BY AN ACT OF THE DISSOCIATED PARTNER WHICH WOULD HAVE BOUND THE PARTNERSHIP UNDER SECTION 7-64-301 BEFORE DISSOCIATION ONLY IF AT THE TIME OF ENTERING INTO THE TRANSACTION THE OTHER PARTY:

(a) REASONABLY BELIEVED THAT THE DISSOCIATED PARTNER WAS THEN A PARTNER; AND

(b) DID NOT HAVE NOTICE OF THE PARTNER'S DISSOCIATION.

(2) A DISSOCIATED PARTNER IS LIABLE TO THE PARTNERSHIP FOR ANY DAMAGE CAUSED TO THE PARTNERSHIP ARISING FROM AN OBLIGATION INCURRED BY THE DISSOCIATED PARTNER AFTER DISSOCIATION FOR WHICH THE PARTNERSHIP IS LIABLE UNDER SUBSECTION (1) OF THIS SECTION.

7-64-703. Dissociated partner's liability to other persons. (1) A PARTNER'S DISSOCIATION DOES NOT OF ITSELF DISCHARGE THE PARTNER'S LIABILITY FOR A PARTNERSHIP OBLIGATION INCURRED BEFORE DISSOCIATION. A DISSOCIATED PARTNER IS NOT LIABLE FOR A PARTNERSHIP OBLIGATION INCURRED AFTER DISSOCIATION, EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (2) OF THIS SECTION.

(2) A PARTNER WHO DISSOCIATES WITHOUT RESULTING IN A DISSOLUTION AND WINDING UP OF THE PARTNERSHIP BUSINESS IS LIABLE AS A PARTNER TO THE OTHER PARTY IN A TRANSACTION ENTERED INTO BY THE PARTNERSHIP, OR A SURVIVING PARTNERSHIP UNDER PART 9 OF THIS ARTICLE, WITHIN TWO YEARS AFTER THE PARTNER'S DISSOCIATION, ONLY IF THE PARTNERSHIP OBLIGATION ARISING FROM SUCH TRANSACTION IS ONE FOR WHICH THE PARTNER WOULD HAVE BEEN LIABLE UNDER SECTION 7-64-306 HAD SUCH PARTNER NOT DISSOCIATED AND, AT THE TIME OF ENTERING INTO THE TRANSACTION, THE OTHER PARTY:

(a) SUBSTANTIALLY RELIED ON A REASONABLE BELIEF THAT THE DISSOCIATED PARTNER WAS THEN A PARTNER; AND

(b) DID NOT HAVE NOTICE OF THE PARTNER'S DISSOCIATION.

(3) BY AGREEMENT WITH THE PARTNERSHIP CREDITOR AND THE PARTNERS CONTINUING THE BUSINESS, A DISSOCIATED PARTNER MAY BE RELEASED FROM LIABILITY FOR A PARTNERSHIP OBLIGATION.

(4) A DISSOCIATED PARTNER IS RELEASED FROM LIABILITY FOR A PARTNERSHIP OBLIGATION IF A PARTNERSHIP CREDITOR, WITH NOTICE OF THE PARTNER'S DISSOCIATION BUT WITHOUT THE PARTNER'S CONSENT, AGREES TO A MATERIAL ALTERATION IN THE NATURE OR TIME OF PAYMENT OF A PARTNERSHIP OBLIGATION.

7-64-704. Statement of dissociation. (1) A DISSOCIATED PARTNER OR THE PARTNERSHIP MAY DELIVER TO THE SECRETARY OF STATE FOR FILING A STATEMENT OF DISSOCIATION STATING THE NAME OF THE PARTNERSHIP AND THAT THE PARTNER IS DISSOCIATED FROM THE PARTNERSHIP.

(2) A STATEMENT OF DISSOCIATION IS A LIMITATION ON THE AUTHORITY OF A DISSOCIATED PARTNER FOR PURPOSES OF SECTION 7-64-303 (4) AND (5).

(3) FOR PURPOSES OF SECTIONS 7-64-702 (1) (b) AND 7-64-703 (2) (b), A PERSON OTHER THAN THE PARTNERSHIP OR ONE OF ITS PARTNERS HAS NOTICE OF THE DISSOCIATION NINETY DAYS AFTER THE STATEMENT OF DISSOCIATION IS FILED.

7-64-705. Continued use of partnership name. CONTINUED USE OF A PARTNERSHIP NAME, OR A DISSOCIATED PARTNER'S NAME AS PART THEREOF, BY PARTNERS CONTINUING THE BUSINESS DOES NOT OF ITSELF MAKE THE DISSOCIATED PARTNER LIABLE FOR AN OBLIGATION OF THE PARTNERS OR THE PARTNERSHIP CONTINUING THE BUSINESS.

**PART 8
WINDING UP PARTNERSHIP BUSINESS**

7-64-801. Events causing dissolution and winding up of partnership business.

(1) A PARTNERSHIP IS DISSOLVED, AND ITS BUSINESS SHALL BE WOUND UP, ONLY UPON THE OCCURRENCE OF ANY OF THE FOLLOWING EVENTS:

(a) IN A PARTNERSHIP AT WILL, THE PARTNERSHIP'S HAVING NOTICE FROM A PARTNER, OTHER THAN A PARTNER WHO IS DISSOCIATED UNDER SECTION 7-64-601 (1) (b) TO (1) (j), OF THAT PARTNER'S EXPRESS WILL TO WITHDRAW AS A PARTNER; EXCEPT THAT, IF THE PARTNERSHIP HAS NOTICE THAT THE PARTNER'S WILL IS TO WITHDRAW AT A LATER DATE, THEN THE DISSOLUTION SHALL OCCUR AT THE LATER DATE SPECIFIED BY THE PARTNER;

(b) IN A PARTNERSHIP FOR A DEFINITE TERM OR PARTICULAR UNDERTAKING:

(I) WITHIN NINETY DAYS AFTER A PARTNER'S WRONGFUL DISSOCIATION UNDER SECTION 7-64-602 (2) OR A PARTNER'S DISSOCIATION BY DEATH OR OTHERWISE UNDER SECTION 7-64-601 (1) (f) TO (1) (j), THE EXPRESS WILL OF AT LEAST HALF OF THE REMAINING PARTNERS TO WIND UP THE PARTNERSHIP BUSINESS, FOR WHICH PURPOSE A PARTNER'S RIGHTFUL DISSOCIATION, PURSUANT TO SECTION 7-64-602 (2) (b) (I), CONSTITUTES THE EXPRESSION OF THAT PARTNER'S WILL;

(II) THE EXPRESS WILL OF ALL OF THE PARTNERS TO WIND UP THE PARTNERSHIP BUSINESS; OR

(III) THE EXPIRATION OF THE TERM OR THE COMPLETION OF THE UNDERTAKING;

(c) AN EVENT AGREED TO IN THE PARTNERSHIP AGREEMENT RESULTING IN THE WINDING UP OF THE PARTNERSHIP BUSINESS;

(d) AN EVENT THAT MAKES IT UNLAWFUL FOR ALL OR SUBSTANTIALLY ALL OF THE BUSINESS OF THE PARTNERSHIP TO BE CONTINUED, BUT A CURE OF ILLEGALITY WITHIN NINETY DAYS AFTER THE PARTNERSHIP HAS NOTICE OF THE EVENT IS EFFECTIVE RETROACTIVELY TO THE DATE OF THE EVENT FOR PURPOSES OF THIS SECTION;

(e) ON APPLICATION BY A PARTNER, A JUDICIAL DETERMINATION THAT:

(I) THE ECONOMIC PURPOSE OF THE PARTNERSHIP IS LIKELY TO BE UNREASONABLY FRUSTRATED;

(II) ANOTHER PARTNER HAS ENGAGED IN CONDUCT RELATING TO THE PARTNERSHIP BUSINESS WHICH MAKES IT NOT REASONABLY PRACTICABLE TO CARRY ON THE BUSINESS IN PARTNERSHIP WITH THAT PARTNER;

(III) IT IS NOT OTHERWISE REASONABLY PRACTICABLE TO CARRY ON THE PARTNERSHIP BUSINESS IN CONFORMITY WITH THE PARTNERSHIP AGREEMENT; OR

(IV) THE PARTNERSHIP IS NOT REASONABLY LIKELY TO PAY LIABILITIES AGAINST WHICH IT INDEMNIFIES THE DISSOCIATED PARTNER;

(f) ON APPLICATION BY A TRANSFEREE OF A PARTNER'S TRANSFERABLE INTEREST, A JUDICIAL DETERMINATION THAT IT IS EQUITABLE TO WIND UP THE PARTNERSHIP BUSINESS:

(I) AFTER THE EXPIRATION OF THE TERM OR COMPLETION OF THE UNDERTAKING, IF THE PARTNERSHIP WAS FOR A DEFINITE TERM OR PARTICULAR UNDERTAKING AT THE TIME OF THE TRANSFER OR ENTRY OF THE CHARGING ORDER THAT GAVE RISE TO THE TRANSFER; OR

(II) AT ANY TIME, IF THE PARTNERSHIP WAS A PARTNERSHIP AT WILL AT THE TIME OF THE TRANSFER OR ENTRY OF THE CHARGING ORDER THAT GAVE RISE TO THE TRANSFER.

7-64-802. Partnership continues after dissolution. (1) SUBJECT TO SUBSECTION (2) OF THIS SECTION, A PARTNERSHIP CONTINUES AFTER DISSOLUTION ONLY FOR THE PURPOSE OF WINDING UP ITS BUSINESS. THE PARTNERSHIP IS TERMINATED WHEN THE WINDING UP OF ITS BUSINESS IS COMPLETED.

(2) AT ANY TIME AFTER THE DISSOLUTION OF A PARTNERSHIP AND BEFORE THE WINDING UP OF ITS BUSINESS IS COMPLETED, ALL OF THE PARTNERS, INCLUDING ANY DISSOCIATING PARTNER OTHER THAN A WRONGFULLY DISSOCIATING PARTNER, MAY WAIVE THE RIGHT TO HAVE THE PARTNERSHIP'S BUSINESS WOUND UP AND THE PARTNERSHIP TERMINATED. IN THAT EVENT:

(a) THE PARTNERSHIP RESUMES CARRYING ON ITS BUSINESS AS IF DISSOLUTION HAD NEVER OCCURRED, AND ANY DEBT, OBLIGATION, OR LIABILITY INCURRED BY THE PARTNERSHIP OR A PARTNER AFTER THE DISSOLUTION AND BEFORE THE WAIVER IS DETERMINED AS IF DISSOLUTION HAD NEVER OCCURRED; AND

(b) THE RIGHTS OF A THIRD PARTY ACCRUING UNDER SECTION 7-64-804 (1) OR ARISING OUT OF CONDUCT IN RELIANCE ON THE DISSOLUTION BEFORE THE THIRD PARTY HAS NOTICE OF THE WAIVER MAY NOT BE ADVERSELY AFFECTED.

7-64-803. Right to wind up partnership business. (1) AFTER DISSOLUTION, A PARTNER WHO HAS NOT WRONGFULLY DISSOCIATED MAY PARTICIPATE IN WINDING UP THE PARTNERSHIP'S BUSINESS, BUT ON APPLICATION OF ANY PARTNER, PARTNER'S LEGAL REPRESENTATIVE, OR TRANSFEREE, THE DISTRICT COURT, FOR GOOD CAUSE SHOWN, MAY ORDER JUDICIAL SUPERVISION OF THE WINDING UP.

(2) THE LEGAL REPRESENTATIVE OF THE LAST SURVIVING PARTNER MAY WIND UP A PARTNERSHIP'S BUSINESS.

(3) A PERSON WINDING UP A PARTNERSHIP'S BUSINESS MAY PRESERVE THE PARTNERSHIP BUSINESS OR PROPERTY AS A GOING CONCERN FOR A REASONABLE TIME, PROSECUTE AND DEFEND ACTIONS AND PROCEEDINGS, WHETHER CIVIL, CRIMINAL, OR

ADMINISTRATIVE, SETTLE DISPUTES, SETTLE AND CLOSE THE PARTNERSHIP'S BUSINESS, DISPOSE OF AND TRANSFER THE PARTNERSHIP'S PROPERTY, DISCHARGE OR PROVIDE FOR THE PARTNERSHIP OBLIGATIONS, DISTRIBUTE THE ASSETS OF THE PARTNERSHIP PURSUANT TO SECTION 7-64-807, AND PERFORM OTHER NECESSARY ACTS.

7-64-804. Partner's power to bind partnership after dissolution. (1) SUBJECT TO SECTION 7-64-805, A PARTNERSHIP IS BOUND BY A PARTNER'S ACT AFTER DISSOLUTION THAT:

- (a) IS APPROPRIATE FOR WINDING UP THE PARTNERSHIP BUSINESS; OR
- (b) WOULD HAVE BOUND THE PARTNERSHIP UNDER SECTION 7-64-301 BEFORE DISSOLUTION, IF THE OTHER PARTY TO THE TRANSACTION DID NOT HAVE NOTICE OF THE DISSOLUTION.

7-64-805. Statement of dissolution. (1) AFTER DISSOLUTION, A PARTNER WHO HAS NOT WRONGFULLY DISSOCIATED MAY DELIVER TO THE SECRETARY OF STATE FOR FILING A STATEMENT OF DISSOLUTION STATING THE NAME OF THE PARTNERSHIP AND THAT THE PARTNERSHIP HAS DISSOLVED AND IS WINDING UP ITS BUSINESS.

(2) A STATEMENT OF DISSOLUTION CANCELS A FILED STATEMENT OF PARTNERSHIP AUTHORITY FOR PURPOSES OF SECTION 7-64-303 (4) AND IS A LIMITATION ON AUTHORITY FOR PURPOSES OF SECTION 7-64-303 (5).

(3) FOR PURPOSES OF SECTIONS 7-64-301 AND 7-64-804, A PERSON NOT A PARTNER HAS NOTICE OF THE DISSOLUTION AND THE LIMITATION ON THE PARTNERS' AUTHORITY AS A RESULT OF THE STATEMENT OF DISSOLUTION NINETY DAYS AFTER IT IS FILED.

(4) NOTWITHSTANDING DISSOLUTION OR THE FILING OR RECORDING OF A STATEMENT OF DISSOLUTION, A PARTNERSHIP MAY DELIVER TO THE SECRETARY OF STATE FOR FILING AND, IF APPROPRIATE, RECORD A STATEMENT OF PARTNERSHIP AUTHORITY WHICH WILL OPERATE WITH RESPECT TO A PERSON NOT A PARTNER AS PROVIDED IN SECTION 7-64-303 (4) AND (5) IN ANY TRANSACTION, WHETHER OR NOT THE TRANSACTION IS APPROPRIATE FOR WINDING UP THE PARTNERSHIP BUSINESS.

7-64-806. Partner's liability to other partners after dissolution. (1) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (2) OF THIS SECTION OR IN SECTION 7-64-306, AFTER DISSOLUTION A PARTNER IS LIABLE TO THE OTHER PARTNERS FOR THE PARTNER'S SHARE OF ANY PARTNERSHIP OBLIGATION INCURRED UNDER SECTION 7-64-804.

(2) A PARTNER WHO, WITH KNOWLEDGE OF THE DISSOLUTION, INCURS A PARTNERSHIP OBLIGATION UNDER SECTION 7-64-804 (2) BY AN ACT THAT IS NOT APPROPRIATE FOR WINDING UP THE PARTNERSHIP BUSINESS IS LIABLE TO THE PARTNERSHIP FOR ANY DAMAGE CAUSED TO THE PARTNERSHIP ARISING FROM THE OBLIGATION.

7-64-807. Settlement of accounts and contributions among partners. (1) IN WINDING UP A PARTNERSHIP'S BUSINESS, THE ASSETS OF THE PARTNERSHIP, INCLUDING THE CONTRIBUTIONS OF THE PARTNERS REQUIRED BY THIS SECTION, SHALL BE APPLIED TO DISCHARGE OR PROVIDE FOR PARTNERSHIP OBLIGATIONS TO CREDITORS,

INCLUDING, TO THE EXTENT PERMITTED BY LAW, PARTNERS WHO ARE CREDITORS. ANY SURPLUS SHALL BE APPLIED TO PAY IN CASH THE NET AMOUNT DISTRIBUTABLE TO PARTNERS IN ACCORDANCE WITH THEIR RIGHT TO DISTRIBUTIONS UNDER SUBSECTION (2) OF THIS SECTION.

(2) EACH PARTNER IS ENTITLED TO A SETTLEMENT OF ALL PARTNERSHIP ACCOUNTS UPON WINDING UP THE PARTNERSHIP BUSINESS. IN SETTLING ACCOUNTS AMONG THE PARTNERS, THE PROFITS AND LOSSES THAT RESULT FROM THE LIQUIDATION OF THE PARTNERSHIP ASSETS SHALL BE CREDITED AND CHARGED TO THE PARTNERS' ACCOUNTS. THE PARTNERSHIP SHALL MAKE A DISTRIBUTION TO A PARTNER IN AN AMOUNT EQUAL TO ANY EXCESS OF THE CREDITS OVER THE CHARGES IN THE PARTNER'S ACCOUNT. A PARTNER SHALL CONTRIBUTE TO THE PARTNERSHIP AN AMOUNT EQUAL TO ANY EXCESS OF THE CHARGES OVER THE CREDITS IN THE PARTNER'S ACCOUNT.

(3) IF A PARTNER FAILS TO CONTRIBUTE, ALL OF THE OTHER PARTNERS SHALL CONTRIBUTE, IN THE PROPORTIONS IN WHICH THOSE PARTNERS SHARE PARTNERSHIP LOSSES, THE ADDITIONAL AMOUNT NECESSARY TO DISCHARGE OR PROVIDE FOR THE PARTNERSHIP OBLIGATIONS.

(4) A PARTNER OR PARTNER'S LEGAL REPRESENTATIVE MAY RECOVER FROM THE OTHER PARTNERS ANY CONTRIBUTIONS THE PARTNER MAKES TO THE EXTENT THE AMOUNT CONTRIBUTED EXCEEDS THAT PARTNER'S SHARE OF THE PARTNERSHIP OBLIGATIONS.

(5) AFTER THE SETTLEMENT OF ACCOUNTS, EACH PARTNER SHALL CONTRIBUTE, IN THE PROPORTION IN WHICH THE PARTNER SHARES PARTNERSHIP LOSSES, THE AMOUNT NECESSARY TO DISCHARGE OR PROVIDE FOR PARTNERSHIP OBLIGATIONS THAT WERE NOT KNOWN AT THE TIME OF THE SETTLEMENT.

(6) THE ESTATE OF A DECEASED PARTNER IS LIABLE FOR THE PARTNER'S OBLIGATION TO CONTRIBUTE TO THE PARTNERSHIP.

(7) AN ASSIGNEE FOR THE BENEFIT OF CREDITORS OF A PARTNERSHIP OR A PARTNER, OR A PERSON APPOINTED BY A COURT TO REPRESENT CREDITORS OF A PARTNERSHIP OR A PARTNER, MAY ENFORCE A PARTNER'S OBLIGATION TO CONTRIBUTE TO THE PARTNERSHIP.

(8) NOTWITHSTANDING ANY OTHER SUBSECTION OF THIS SECTION, NO PARTNER SHALL BE OBLIGATED TO CONTRIBUTE UNDER THIS SECTION WITH RESPECT TO ANY AMOUNTS THAT ARE ATTRIBUTABLE TO A PARTNERSHIP OBLIGATION INCURRED WHILE THE PARTNERSHIP IS A LIMITED LIABILITY PARTNERSHIP.

PART 9 CONVERSIONS AND MERGERS

7-64-901. Definitions. AS USED IN THIS PART 9:

(1) "DOMESTIC LIMITED PARTNERSHIP" MEANS A LIMITED PARTNERSHIP FORMED UNDER ARTICLE 61 OR 62 OF THIS TITLE.

(2) "DOMESTIC PARTNERSHIP" MEANS A PARTNERSHIP THAT IS FORMED UNDER THIS ARTICLE OR ARTICLE 60 OF THIS TITLE.

(3) "FOREIGN LIMITED PARTNERSHIP" MEANS A LIMITED PARTNERSHIP OTHER THAN A DOMESTIC LIMITED PARTNERSHIP.

(4) "FOREIGN PARTNERSHIP" MEANS A PARTNERSHIP OTHER THAN A DOMESTIC PARTNERSHIP.

(5) "PARTNER" INCLUDES BOTH A GENERAL PARTNER AND A LIMITED PARTNER.

(6) "PARTNERSHIP AGREEMENT" MEANS THE PARTNERSHIP AGREEMENT IN A DOMESTIC PARTNERSHIP, A FOREIGN PARTNERSHIP, A DOMESTIC LIMITED PARTNERSHIP, OR A FOREIGN LIMITED PARTNERSHIP.

7-64-902. Conversion of partnership to limited partnership. (1) A PARTNERSHIP MAY BE CONVERTED TO A DOMESTIC LIMITED PARTNERSHIP PURSUANT TO THIS SECTION, AND A DOMESTIC PARTNERSHIP MAY BE CONVERTED TO A FOREIGN LIMITED PARTNERSHIP PURSUANT TO THIS SECTION.

(2) THE TERMS AND CONDITIONS OF A CONVERSION OF A PARTNERSHIP TO A LIMITED PARTNERSHIP UNDER THIS SECTION SHALL BE APPROVED BY ALL OF THE PARTNERS OR BY A NUMBER OR PERCENTAGE SPECIFIED FOR CONVERSION IN THE PARTNERSHIP AGREEMENT.

(3) AFTER THE CONVERSION IS APPROVED AS PROVIDED IN SUBSECTION (2) OF THIS SECTION, THE PARTNERSHIP SHALL CAUSE TO BE FILED A CERTIFICATE OF LIMITED PARTNERSHIP IN THIS STATE, OR, IF APPLICABLE, SHALL COMPLY WITH THE REQUIREMENTS OF THE JURISDICTION IN WHICH THE FOREIGN LIMITED PARTNERSHIP IS TO BE FORMED. A CERTIFICATE OF LIMITED PARTNERSHIP FILED IN THIS STATE SHALL INCLUDE:

(a) A STATEMENT THAT THE PARTNERSHIP WAS CONVERTED TO A DOMESTIC LIMITED PARTNERSHIP FROM A PARTNERSHIP;

(b) ITS FORMER NAME; AND

(c) A STATEMENT OF THE NUMBER OF VOTES CAST BY THE PARTNERS FOR AND AGAINST THE CONVERSION AND, IF THE VOTE IS LESS THAN UNANIMOUS, THE NUMBER OR PERCENTAGE REQUIRED TO APPROVE THE CONVERSION UNDER THE PARTNERSHIP AGREEMENT.

(4) THE CONVERSION TO A DOMESTIC LIMITED PARTNERSHIP TAKES EFFECT ON THE EFFECTIVE DATE OF THE CERTIFICATE OF LIMITED PARTNERSHIP. THE CONVERSION TO A FOREIGN LIMITED PARTNERSHIP TAKES EFFECT AS PROVIDED BY THE LAWS OF THE JURISDICTION IN WHICH THE FOREIGN LIMITED PARTNERSHIP IS FORMED.

(5) A GENERAL PARTNER WHO BECOMES A LIMITED PARTNER AS A RESULT OF THE CONVERSION REMAINS LIABLE AS A GENERAL PARTNER FOR A PARTNERSHIP OBLIGATION INCURRED BEFORE THE CONVERSION TAKES EFFECT. IF THE OTHER PARTY TO A TRANSACTION WITH THE LIMITED PARTNERSHIP REASONABLY BELIEVES, WHEN

ENTERING THE TRANSACTION, THAT THE LIMITED PARTNER IS A GENERAL PARTNER, THE LIMITED PARTNER IS LIABLE FOR A DEBT, OBLIGATION, OR LIABILITY INCURRED BY THE LIMITED PARTNERSHIP WITHIN NINETY DAYS AFTER THE CONVERSION TAKES EFFECT. THE LIMITED PARTNER'S LIABILITY FOR ALL OTHER DEBTS, OBLIGATIONS, OR LIABILITIES OF THE LIMITED PARTNERSHIP INCURRED AFTER THE CONVERSION TAKES EFFECT IS THAT OF A LIMITED PARTNER AS PROVIDED IN ARTICLE 61 OR 62 OF THIS TITLE, AS THE CASE MAY BE, OR, IF APPLICABLE, THE LAWS OF THE JURISDICTION IN WHICH THE FOREIGN LIMITED PARTNERSHIP IS FORMED.

(6) ANY CONVERSION INVOLVING A FOREIGN PARTNERSHIP OR A FOREIGN LIMITED PARTNERSHIP SHALL ALSO COMPLY WITH THE APPLICABLE LAWS OF THE JURISDICTION IN WHICH THE FOREIGN PARTNERSHIP OR THE FOREIGN LIMITED PARTNERSHIP IS FORMED.

7-64-903. Conversion of limited partnership to partnership. (1) A LIMITED PARTNERSHIP MAY BE CONVERTED TO A DOMESTIC PARTNERSHIP PURSUANT TO THIS SECTION, AND A DOMESTIC LIMITED PARTNERSHIP MAY BE CONVERTED TO A FOREIGN PARTNERSHIP PURSUANT TO THIS SECTION.

(2) UNLESS A LESSER VOTE IS PROVIDED FOR IN THE LIMITED PARTNERSHIP AGREEMENT, THE CONVERSION OF A LIMITED PARTNERSHIP TO A PARTNERSHIP SHALL BE APPROVED BY ALL OF THE PARTNERS. IF A LIMITED PARTNERSHIP CONVERTS TO A PARTNERSHIP UNDER THIS SECTION, A LIMITED PARTNER WHO DID NOT CONSENT TO THE CONVERSION IS CONSIDERED TO BE A PARTNER WHO HAS WITHDRAWN FROM THE LIMITED PARTNERSHIP EFFECTIVE IMMEDIATELY BEFORE THE EFFECTIVE DATE OF THE CONVERSION UNLESS, WITHIN SIXTY DAYS AFTER THE LATER OF THE EFFECTIVE DATE OF THE CONVERSION OR THE DATE THE PARTNER RECEIVES NOTICE OF THE CONVERSION, THE PARTNER NOTIFIES THE PARTNERSHIP OF THE PARTNER'S DESIRE NOT TO WITHDRAW. A WITHDRAWAL UNDER THE DESCRIBED CIRCUMSTANCES IS NOT A WRONGFUL WITHDRAWAL.

(3) AFTER THE CONVERSION IS APPROVED AS PROVIDED IN SUBSECTION (2) OF THIS SECTION, THE LIMITED PARTNERSHIP SHALL CANCEL ITS CERTIFICATE OF LIMITED PARTNERSHIP AND ALL SIMILAR CERTIFICATES FILED OR RECORDED IN THIS STATE OR IN ANY OTHER JURISDICTION.

(4) THE CONVERSION TAKES EFFECT WHEN THE CERTIFICATE OF LIMITED PARTNERSHIP OR COMPARABLE FILING IN THE JURISDICTION OF FORMATION OF THE LIMITED PARTNERSHIP IS CANCELED.

(5) A LIMITED PARTNER WHO BECOMES A GENERAL PARTNER AS A RESULT OF THE CONVERSION REMAINS LIABLE ONLY AS A LIMITED PARTNER FOR A DEBT, OBLIGATION, OR LIABILITY INCURRED BY THE LIMITED PARTNERSHIP BEFORE THE CONVERSION TAKES EFFECT. SUBJECT TO SECTION 7-64-306, THE PARTNER IS LIABLE AS A GENERAL PARTNER FOR A PARTNERSHIP OBLIGATION INCURRED AFTER THE CONVERSION TAKES EFFECT.

7-64-904. Effect of conversion; entity unchanged. (1) A PARTNERSHIP OR LIMITED PARTNERSHIP THAT HAS BEEN CONVERTED PURSUANT TO THIS PART 9 IS FOR ALL PURPOSES THE SAME ENTITY THAT EXISTED BEFORE THE CONVERSION.

(2) WHEN A CONVERSION TAKES EFFECT:

(a) ALL PROPERTY OWNED BY THE CONVERTING PARTNERSHIP OR LIMITED PARTNERSHIP REMAINS VESTED IN THE CONVERTED ENTITY;

(b) ALL DEBTS, OBLIGATIONS, OR LIABILITIES OF THE CONVERTING PARTNERSHIP OR LIMITED PARTNERSHIP CONTINUE AS DEBTS, OBLIGATIONS, OR LIABILITIES OF THE CONVERTED ENTITY; AND

(c) AN ACTION OR PROCEEDING PENDING AGAINST THE CONVERTING PARTNERSHIP OR LIMITED PARTNERSHIP MAY BE CONTINUED AS IF THE CONVERSION HAD NOT OCCURRED.

7-64-905. Merger of partnerships. (1) PURSUANT TO A PLAN OF MERGER APPROVED AS PROVIDED IN SUBSECTION (3) OF THIS SECTION, A PARTNERSHIP MAY BE MERGED WITH ONE OR MORE PARTNERSHIPS OR LIMITED PARTNERSHIPS; EXCEPT THAT AT LEAST ONE PARTY TO THE MERGER SHALL BE A DOMESTIC PARTNERSHIP OR A DOMESTIC LIMITED PARTNERSHIP.

(2) THE PLAN OF MERGER SHALL SET FORTH:

(a) THE NAME OF EACH PARTNERSHIP OR LIMITED PARTNERSHIP THAT IS A PARTY TO THE MERGER;

(b) THE NAME OF THE SURVIVING ENTITY INTO WHICH THE OTHER PARTNERSHIPS OR LIMITED PARTNERSHIPS WILL MERGE;

(c) WHETHER THE SURVIVING ENTITY IS A DOMESTIC PARTNERSHIP, A FOREIGN PARTNERSHIP, A DOMESTIC LIMITED PARTNERSHIP, OR A FOREIGN LIMITED PARTNERSHIP, AND THE STATUS OF EACH PARTNER;

(d) THE TERMS AND CONDITIONS OF THE MERGER;

(e) THE MANNER AND BASIS OF CONVERTING THE INTERESTS OF EACH PARTY TO THE MERGER INTO INTERESTS OR DEBTS, OBLIGATIONS, OR LIABILITIES OF THE SURVIVING ENTITY, OR INTO MONEY OR OTHER PROPERTY IN WHOLE OR IN PART; AND

(f) THE STREET ADDRESS OF THE SURVIVING ENTITY'S CHIEF EXECUTIVE OFFICE.

(3) THE PLAN OF MERGER SHALL BE APPROVED:

(a) IN THE CASE OF A PARTNERSHIP THAT IS A PARTY TO THE MERGER, BY ALL OF THE PARTNERS, OR SUCH LESSER NUMBER OR PERCENTAGE SPECIFIED FOR MERGER IN THE PARTNERSHIP AGREEMENT OR BY THE LAW OF THE STATE OR FOREIGN JURISDICTION WHICH GOVERNS THE PARTNERSHIP; AND

(b) IN THE CASE OF A LIMITED PARTNERSHIP THAT IS A PARTY TO THE MERGER, BY THE VOTE REQUIRED FOR APPROVAL OF A MERGER BY THE LAW OF THE STATE OR FOREIGN JURISDICTION IN WHICH THE LIMITED PARTNERSHIP IS ORGANIZED AND, IN THE ABSENCE OF SUCH A SPECIFICALLY APPLICABLE LAW, BY ALL OF THE PARTNERS, UNLESS A LESSER VOTE IS PROVIDED FOR IN THE LIMITED PARTNERSHIP AGREEMENT.

IF A LIMITED PARTNERSHIP IS A PARTY TO A MERGER, A LIMITED PARTNER WHO DID NOT CONSENT TO THE MERGER IS CONSIDERED TO BE A PARTNER WHO HAS WITHDRAWN FROM THE LIMITED PARTNERSHIP EFFECTIVE IMMEDIATELY BEFORE THE EFFECTIVE DATE OF THE MERGER UNLESS, WITHIN SIXTY DAYS AFTER THE LATER OF THE EFFECTIVE DATE OF THE MERGER OR THE DATE THE PARTNER RECEIVES NOTICE OF THE MERGER, THE PARTNER NOTIFIES THE LIMITED PARTNERSHIP OF THE PARTNER'S DESIRE NOT TO WITHDRAW. A WITHDRAWAL UNDER THE DESCRIBED CIRCUMSTANCES IS NOT A WRONGFUL WITHDRAWAL.

(4) AFTER A PLAN OF MERGER IS APPROVED AND BEFORE THE MERGER TAKES EFFECT, THE PLAN MAY BE AMENDED OR ABANDONED AS PROVIDED IN THE PLAN.

(5) THE MERGER TAKES EFFECT ON THE LATER OF:

(a) THE APPROVAL OF THE PLAN OF MERGER BY ALL PARTIES TO THE MERGER, AS PROVIDED IN SUBSECTION (3) OF THIS SECTION;

(b) THE FILING OF ALL DOCUMENTS REQUIRED BY LAW TO BE FILED AS A CONDITION TO THE EFFECTIVENESS OF THE MERGER; OR

(c) THE DATE, IF ANY, SPECIFIED IN THE PLAN OF MERGER AS THE DATE THE MERGER IS EFFECTIVE; EXCEPT THAT, IF APPLICABLE LAW LIMITS THE DATE TO WHICH THE EFFECTIVENESS OF THE MERGER MAY BE DELAYED, THE DATE DETERMINED UNDER THIS PARAGRAPH (c) SHALL BE THE EARLIER OF:

(I) THE DATE SPECIFIED IN THE PLAN OF MERGER AS THE DATE THE MERGER IS EFFECTIVE; OR

(II) THE LAST DAY PERMITTED BY APPLICABLE LAW AS THE DATE ON WHICH THE MERGER MAY BE EFFECTIVE.

7-64-906. Effect of merger. (1) WHEN A MERGER TAKES EFFECT:

(a) THE SEPARATE EXISTENCE OF EVERY PARTNERSHIP OR LIMITED PARTNERSHIP THAT IS A PARTY TO THE MERGER, OTHER THAN THE SURVIVING ENTITY, CEASES;

(b) ALL PROPERTY OWNED BY EACH OF THE MERGED PARTNERSHIPS OR LIMITED PARTNERSHIPS VESTS IN THE SURVIVING ENTITY;

(c) ALL DEBTS, OBLIGATIONS, OR LIABILITIES OF EVERY PARTNERSHIP OR LIMITED PARTNERSHIP THAT IS A PARTY TO THE MERGER BECOME THE DEBTS, OBLIGATIONS, OR LIABILITIES OF THE SURVIVING ENTITY;

(d) AN ACTION OR PROCEEDING PENDING AGAINST A PARTNERSHIP OR LIMITED PARTNERSHIP THAT IS A PARTY TO THE MERGER MAY BE CONTINUED AS IF THE MERGER HAD NOT OCCURRED, OR THE SURVIVING ENTITY MAY BE SUBSTITUTED AS A PARTY TO THE ACTION OR PROCEEDING.

(2) SUBJECT TO SECTION 7-64-306, A PARTNER OF THE SURVIVING PARTNERSHIP OR LIMITED PARTNERSHIP IS LIABLE FOR:

(a) ALL DEBTS, OBLIGATIONS, OR LIABILITIES OF A PARTY TO THE MERGER FOR WHICH THE PARTNER WAS PERSONALLY LIABLE BEFORE THE MERGER;

(b) ALL OTHER DEBTS, OBLIGATIONS, OR LIABILITIES OF THE SURVIVING ENTITY INCURRED BEFORE THE MERGER BY A PARTY TO THE MERGER, BUT THOSE OBLIGATIONS MAY BE SATISFIED ONLY OUT OF PROPERTY OF THE ENTITY; AND

(c) ALL DEBTS, OBLIGATIONS, OR LIABILITIES OF THE SURVIVING ENTITY INCURRED AFTER THE MERGER TAKES EFFECT, BUT THOSE DEBTS, OBLIGATIONS, OR LIABILITIES MAY BE SATISFIED ONLY OUT OF PROPERTY OF THE ENTITY IF THE PARTNER IS A LIMITED PARTNER.

(3) IF THE DEBTS, OBLIGATIONS, OR LIABILITIES INCURRED BEFORE THE MERGER BY A PARTY TO THE MERGER ARE NOT SATISFIED OUT OF THE PROPERTY OF THE SURVIVING PARTNERSHIP OR LIMITED PARTNERSHIP, THE GENERAL PARTNERS OF THAT PARTY IMMEDIATELY BEFORE THE EFFECTIVE DATE OF THE MERGER SHALL CONTRIBUTE TO THE SURVIVING ENTITY THE AMOUNT NECESSARY TO SATISFY THAT PARTY'S DEBTS, OBLIGATIONS, OR LIABILITIES, SUCH CONTRIBUTIONS BEING MADE AS PROVIDED IN SECTION 7-64-807 OR IN THE APPLICABLE LIMITED PARTNERSHIP LAW OF THE JURISDICTION IN WHICH THE PARTY IS FORMED, AS THE CASE MAY BE, AS IF THE MERGED PARTY WERE DISSOLVED.

(4) A PARTNER OF A PARTY TO A MERGER WHO DOES NOT BECOME A PARTNER OF THE SURVIVING PARTNERSHIP OR LIMITED PARTNERSHIP IS DISSOCIATED FROM THE ENTITY, OF WHICH THAT PARTNER WAS A PARTNER, AS OF THE DATE THE MERGER TAKES EFFECT. THE SURVIVING ENTITY SHALL CAUSE THE PARTNER'S INTEREST IN THE ENTITY TO BE PURCHASED UNDER SECTION 7-64-701 OR ANOTHER STATUTE SPECIFICALLY APPLICABLE TO THAT PARTNER'S INTEREST WITH RESPECT TO A MERGER. THE SURVIVING ENTITY IS BOUND UNDER SECTION 7-64-702 BY AN ACT OF A GENERAL PARTNER DISSOCIATED UNDER THIS SUBSECTION (4), AND THE PARTNER IS LIABLE UNDER SECTION 7-64-703 FOR TRANSACTIONS ENTERED INTO BY THE SURVIVING ENTITY AFTER THE MERGER TAKES EFFECT.

7-64-907. Statement of merger. (1) AFTER A MERGER, THE SURVIVING PARTNERSHIP OR LIMITED PARTNERSHIP MAY DELIVER TO THE SECRETARY OF STATE FOR FILING A STATEMENT THAT ONE OR MORE PARTNERSHIPS OR LIMITED PARTNERSHIPS HAVE MERGED INTO THE SURVIVING ENTITY.

(2) A STATEMENT OF MERGER SHALL CONTAIN:

(a) THE NAME OF EACH PARTNERSHIP OR LIMITED PARTNERSHIP THAT IS A PARTY TO THE MERGER;

(b) THE NAME OF THE SURVIVING ENTITY INTO WHICH THE OTHER PARTNERSHIPS OR LIMITED PARTNERSHIPS WERE MERGED;

(c) THE STREET ADDRESS OF THE SURVIVING ENTITY'S CHIEF EXECUTIVE OFFICE AND OF AN OFFICE IN THIS STATE, IF ANY; AND

(d) WHETHER THE SURVIVING ENTITY IS A DOMESTIC PARTNERSHIP, A FOREIGN PARTNERSHIP, A DOMESTIC LIMITED PARTNERSHIP, OR A FOREIGN LIMITED

PARTNERSHIP, AND THE STATUS OF EACH PARTNER.

(3) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (4) OF THIS SECTION, FOR PURPOSES OF SECTION 7-64-302, PROPERTY OF THE SURVIVING PARTNERSHIP OR LIMITED PARTNERSHIP THAT BEFORE THE MERGER WAS HELD IN THE NAME OF ANOTHER PARTY TO THE MERGER IS PROPERTY HELD IN THE NAME OF THE SURVIVING ENTITY UPON FILING A STATEMENT OF MERGER.

(4) FOR PURPOSES OF SECTION 7-64-302, REAL PROPERTY OF THE SURVIVING PARTNERSHIP OR LIMITED PARTNERSHIP THAT BEFORE THE MERGER WAS HELD IN THE NAME OF ANOTHER PARTY TO THE MERGER IS PROPERTY HELD IN THE NAME OF THE SURVIVING ENTITY UPON RECORDING A CERTIFIED COPY OF THE STATEMENT OF MERGER IN THE OFFICE FOR RECORDING TRANSFERS OF SUCH REAL PROPERTY.

(5) A FILED AND, IF APPROPRIATE, RECORDED STATEMENT OF MERGER, EXECUTED AND DECLARED TO BE ACCURATE PURSUANT TO SECTION 7-64-105 (3), STATING THE NAME OF A PARTNERSHIP OR LIMITED PARTNERSHIP THAT IS A PARTY TO THE MERGER IN WHOSE NAME PROPERTY WAS HELD BEFORE THE MERGER AND THE NAME OF THE SURVIVING ENTITY, BUT NOT CONTAINING ALL OF THE OTHER INFORMATION REQUIRED BY SUBSECTION (2) OF THIS SECTION, OPERATES WITH RESPECT TO THE PARTNERSHIPS OR LIMITED PARTNERSHIPS NAMED TO THE EXTENT PROVIDED IN SUBSECTIONS (3) AND (4) OF THIS SECTION.

7-64-908. Nonexclusive. THIS PART 9 IS NOT EXCLUSIVE; ACCORDINGLY, PARTNERSHIPS OR LIMITED PARTNERSHIPS MAY BE CONVERTED OR MERGED IN ANY OTHER MANNER PROVIDED BY LAW.

PART 10

LIMITED LIABILITY PARTNERSHIPS; LIMITED LIABILITY LIMITED PARTNERSHIPS; FOREIGN LIMITED LIABILITY PARTNERSHIPS; FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIPS

7-64-1001. Definitions. AS USED IN THIS PART 10:

(1) "PARTNER" INCLUDES BOTH A GENERAL PARTNER AND A LIMITED PARTNER.

(2) "PARTNERSHIP AGREEMENT" MEANS THE PARTNERSHIP AGREEMENT IN A PARTNERSHIP OR A LIMITED PARTNERSHIP.

7-64-1002. Registration. (1) A PARTNERSHIP MAY REGISTER AS A LIMITED LIABILITY PARTNERSHIP, AND A LIMITED PARTNERSHIP FORMED UNDER ARTICLE 61 OR 62 OF THIS TITLE MAY REGISTER AS A LIMITED LIABILITY LIMITED PARTNERSHIP, BY DELIVERING A REGISTRATION STATEMENT TO THE SECRETARY OF STATE FOR FILING. THE REGISTRATION SHALL BE EFFECTIVE UPON THE EFFECTIVE DATE OF THE REGISTRATION STATEMENT. IF A CERTIFICATE OF LIMITED PARTNERSHIP IS BEING FILED, THE REGISTRATION STATEMENT UNDER THIS SUBSECTION (1) MAY BE COMBINED WITH OR STATED IN THE CERTIFICATE OF LIMITED PARTNERSHIP. THE REGISTRATION STATEMENT SHALL BE APPROVED IN THE MANNER PROVIDED IN THE PARTNERSHIP AGREEMENT OR, IF NOT SO PROVIDED, SHALL BE APPROVED BY ALL OF THE GENERAL PARTNERS. THE REGISTRATION STATEMENT SHALL BE SIGNED BY A GENERAL PARTNER

AND SHALL SET FORTH:

(a) THE NAME OF THE LIMITED LIABILITY PARTNERSHIP OR LIMITED LIABILITY LIMITED PARTNERSHIP;

(b) THE ADDRESS OF ITS CHIEF EXECUTIVE OFFICE;

(c) IF ITS CHIEF EXECUTIVE OFFICE IS NOT LOCATED IN THIS STATE, THE ADDRESS OF A REGISTERED OFFICE AND THE NAME AND STREET ADDRESS OF A REGISTERED AGENT FOR SERVICE OF PROCESS IN THIS STATE; AND

(d) A DECLARATION THAT IT IS A LIMITED LIABILITY PARTNERSHIP OR A LIMITED LIABILITY LIMITED PARTNERSHIP, AS THE CASE MAY BE.

(2) A FOREIGN LIMITED LIABILITY PARTNERSHIP OR A FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP MAY REGISTER AS SUCH WITH THE SECRETARY OF STATE BY DELIVERING A REGISTRATION STATEMENT TO THE SECRETARY OF STATE FOR FILING. THE REGISTRATION STATEMENT SHALL BE APPROVED IN THE MANNER PROVIDED IN THE PARTNERSHIP AGREEMENT OR, IF NOT SO PROVIDED, SHALL BE APPROVED BY ALL OF THE GENERAL PARTNERS. THE REGISTRATION STATEMENT SHALL BE SIGNED BY A GENERAL PARTNER AND SHALL SET FORTH:

(a) THE NAME OF THE FOREIGN LIMITED LIABILITY PARTNERSHIP OR FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP;

(b) THE ADDRESS OF ITS CHIEF EXECUTIVE OFFICE;

(c) IF ITS CHIEF EXECUTIVE OFFICE IS NOT LOCATED IN THIS STATE, THE ADDRESS OF A REGISTERED OFFICE AND THE NAME AND STREET ADDRESS OF A REGISTERED AGENT FOR SERVICE OF PROCESS IN THIS STATE; AND

(d) A DECLARATION THAT IT IS A FOREIGN LIMITED LIABILITY PARTNERSHIP OR A FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP, AS THE CASE MAY BE.

(3) THE REGISTRATION OF A PARTNERSHIP OR A LIMITED PARTNERSHIP PURSUANT TO SUBSECTION (1) OF THIS SECTION AND THE REGISTRATION OF A FOREIGN LIMITED LIABILITY PARTNERSHIP OR FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP PURSUANT TO SUBSECTION (2) OF THIS SECTION SHALL CONTINUE UNTIL:

(a) THE REGISTRATION IS REVOKED PURSUANT TO SECTION 7-64-1008 (1) UNLESS THE REGISTRATION IS REINSTATED PURSUANT TO SECTION 7-64-1008 (3); OR

(b) THE REGISTRATION IS WITHDRAWN PURSUANT TO SUBSECTION (4) OF THIS SECTION.

(4) A PARTNERSHIP OR A LIMITED PARTNERSHIP MAY DELIVER TO THE SECRETARY OF STATE FOR FILING A STATEMENT OF WITHDRAWAL OF REGISTRATION. THE STATEMENT OF WITHDRAWAL OF REGISTRATION SHALL BE SIGNED BY AT LEAST ONE GENERAL PARTNER AND SHALL BE APPROVED IN THE MANNER PROVIDED IN THE PARTNERSHIP AGREEMENT OR, IF NOT SO PROVIDED, SHALL BE APPROVED BY ALL OF THE GENERAL PARTNERS. THE WITHDRAWAL OF REGISTRATION SHALL BE EFFECTIVE

UPON THE EFFECTIVE DATE OF THE STATEMENT OF WITHDRAWAL OF REGISTRATION.

(5) A FOREIGN LIMITED LIABILITY PARTNERSHIP OR A FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP MAY NOT TRANSACT BUSINESS IN THIS STATE AND MAY NOT MAINTAIN ANY ACTION, SUIT, OR PROCEEDING IN ANY COURT IN THIS STATE UNTIL IT HAS REGISTERED PURSUANT TO SUBSECTION (2) OF THIS SECTION. THE FAILURE OF THE FOREIGN LIMITED LIABILITY PARTNERSHIP OR FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP TO REGISTER IN THIS STATE DOES NOT IMPAIR THE VALIDITY OF ANY CONTRACT OR ACT OF THE FOREIGN LIMITED LIABILITY PARTNERSHIP OR FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP OR PREVENT THE FOREIGN LIMITED LIABILITY PARTNERSHIP OR FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP FROM DEFENDING ANY ACTION, SUIT, OR PROCEEDING IN ANY COURT IN THIS STATE. THE LIABILITY OF A PARTNER IN A FOREIGN LIMITED LIABILITY PARTNERSHIP OR A FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP SHALL NOT BE AFFECTED SOLELY BY REASON OF SUCH PARTNERSHIP'S HAVING TRANSACTED BUSINESS IN THIS STATE WITHOUT REGISTRATION. A FOREIGN LIMITED LIABILITY PARTNERSHIP OR A FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP, BY TRANSACTING BUSINESS IN THIS STATE WITHOUT REGISTRATION, APPOINTS THE SECRETARY OF STATE AS ITS AGENT ON WHOM ANY NOTICE, PROCESS, OR DEMAND MAY BE SERVED.

(6) A PARTNERSHIP OR A LIMITED PARTNERSHIP THAT HAS BEEN REGISTERED UNDER THIS PART 10 IS FOR ALL PURPOSES THE SAME ENTITY THAT EXISTED BEFORE IT REGISTERED.

(7) EXCEPT AS TO PERSONS WHO WERE PARTNERS AT THE TIME OF FILING, THE FILING OF A REGISTRATION STATEMENT SHALL BE CONCLUSIVE THAT ALL CONDITIONS PRECEDENT TO REGISTRATION UNDER THIS SECTION HAVE BEEN MET.

7-64-1003. Name. (1) THE NAME OF EACH LIMITED LIABILITY PARTNERSHIP AS SET FORTH IN ITS REGISTRATION STATEMENT AND THE NAME OF EACH LIMITED LIABILITY LIMITED PARTNERSHIP AS SET FORTH IN ITS CERTIFICATE OF LIMITED PARTNERSHIP OR REGISTRATION STATEMENT SHALL:

(a) IN THE CASE OF A LIMITED LIABILITY PARTNERSHIP, CONTAIN THE WORDS "LIMITED LIABILITY PARTNERSHIP" OR THE ABBREVIATION "L.L.P." OR "LLP", AND, IN THE CASE OF A LIMITED LIABILITY LIMITED PARTNERSHIP, CONTAIN THE WORDS "LIMITED LIABILITY LIMITED PARTNERSHIP" OR THE ABBREVIATION "L.L.L.P." OR "LLL.P".

(b) BE DEEMED TO BE IN COMPLIANCE WITH SECTION 7-62-102 (1) (a) IF ITS NAME IS IN COMPLIANCE WITH PARAGRAPH (a) OF THIS SUBSECTION (1).

(2) EXCEPT AS AUTHORIZED BY SUBSECTION (3) OF THIS SECTION, THE NAME OF A LIMITED LIABILITY PARTNERSHIP OR A LIMITED LIABILITY LIMITED PARTNERSHIP SHALL NOT BE THE SAME AS OR DECEPTIVELY SIMILAR TO:

(a) THE CORPORATE NAME OF ANY DOMESTIC CORPORATION OR DOMESTIC NONPROFIT CORPORATION;

(b) THE NAME OF ANY DOMESTIC LIMITED PARTNERSHIP, DOMESTIC LIMITED LIABILITY PARTNERSHIP, OR DOMESTIC LIMITED LIABILITY LIMITED PARTNERSHIP, AS

SET FORTH IN ITS CERTIFICATE OF LIMITED PARTNERSHIP OR REGISTRATION STATEMENT ON FILE WITH THE SECRETARY OF STATE;

(c) THE NAME OF ANY DOMESTIC LIMITED PARTNERSHIP ASSOCIATION AS SET FORTH IN ITS ARTICLES OF ASSOCIATION ON FILE WITH THE SECRETARY OF STATE;

(d) THE NAME OF ANY DOMESTIC LIMITED LIABILITY COMPANY AS SET FORTH IN ITS ARTICLES OF ORGANIZATION ON FILE WITH THE SECRETARY OF STATE;

(e) THE NAME UNDER WHICH ANY FOREIGN CORPORATION, FOREIGN NONPROFIT CORPORATION, FOREIGN LIMITED PARTNERSHIP, FOREIGN LIMITED LIABILITY COMPANY, FOREIGN LIMITED LIABILITY PARTNERSHIP, FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP, OR FOREIGN LIMITED PARTNERSHIP ASSOCIATION IS AUTHORIZED TO TRANSACT BUSINESS IN OR IS REGISTERED IN THIS STATE;

(f) THE CORPORATE NAME OF ANY FOREIGN CORPORATION OR FOREIGN NONPROFIT CORPORATION, THE COMPANY NAME OF ANY FOREIGN LIMITED LIABILITY COMPANY, OR THE ASSOCIATION NAME OF ANY FOREIGN LIMITED PARTNERSHIP ASSOCIATION IF SUCH NAME IS REGISTERED WITH THE SECRETARY OF STATE PURSUANT TO THE LAWS OF THIS STATE;

(g) A NAME THE EXCLUSIVE RIGHT TO WHICH IS RESERVED WITH THE SECRETARY OF STATE UNDER THE LAWS OF THIS STATE;

(h) ANY TRADE NAME OR ASSUMED NAME THAT IS REGISTERED WITH THE SECRETARY OF STATE BY ANOTHER PERSON PURSUANT TO SECTION 7-71-101;

(i) THE CORPORATE NAME, ASSUMED NAME, OR TRADE NAME OF A DISSOLVED CORPORATION DURING THE ONE-HUNDRED-TWENTY-DAY PERIOD FOLLOWING THE EFFECTIVE DATE OF SUCH CORPORATION'S DISSOLUTION; OR

(j) ANY TRADEMARK REGISTERED WITH THE SECRETARY OF STATE BY ANOTHER PERSON PURSUANT TO SECTION 7-70-102.

(3) A LIMITED LIABILITY PARTNERSHIP MAY APPLY TO THE SECRETARY OF STATE FOR AUTHORIZATION TO USE A NAME, OR MAY DELIVER FOR FILING A REGISTRATION STATEMENT THAT STATES A NAME, THAT IS THE SAME AS OR DECEPTIVELY SIMILAR TO A NAME OTHERWISE NOT AVAILABLE PURSUANT TO SUBSECTION (2) OF THIS SECTION IF THE LIMITED LIABILITY PARTNERSHIP DELIVERS TO THE SECRETARY OF STATE FOR FILING EITHER:

(a) THE WRITTEN CONSENT OF THE OTHER HOLDER OF THE NAME TO USE THE SAME OR A DECEPTIVELY SIMILAR NAME IF ONE OR MORE WORDS ARE ADDED, ALTERED, OR DELETED TO MAKE THE NAME DISTINGUISHABLE ON THE RECORDS OF THE SECRETARY OF STATE FROM THE OTHER NAME; OR

(b) A CERTIFIED COPY OF A FINAL DECREE OF A COURT OF COMPETENT JURISDICTION ESTABLISHING THE PRIOR RIGHT OF THE LIMITED LIABILITY PARTNERSHIP TO THE USE OF SUCH NAME IN THIS STATE.

7-64-1004. Limitations on distributions to general partner. A GENERAL

PARTNER MAY NOT RECEIVE A DISTRIBUTION FROM A LIMITED LIABILITY PARTNERSHIP OR LIMITED LIABILITY LIMITED PARTNERSHIP TO THE EXTENT THAT, AFTER GIVING EFFECT TO THE DISTRIBUTION, ALL LIABILITIES OF THE LIMITED LIABILITY PARTNERSHIP OR LIMITED LIABILITY LIMITED PARTNERSHIP THAT ARE SUBJECT TO THE LIMITATIONS SET FORTH IN SECTION 7-64-306 EXCEED THE FAIR VALUE OF THE PARTNERSHIP ASSETS. THIS SECTION AND SECTIONS 7-64-1005, 7-62-607, AND 7-62-608 SHALL NOT APPLY TO A DISTRIBUTION MADE AS REASONABLE COMPENSATION FOR CURRENT SERVICES PROVIDED BY THE GENERAL PARTNER TO THE LIMITED LIABILITY PARTNERSHIP OR LIMITED LIABILITY LIMITED PARTNERSHIP, TO THE EXTENT THAT THE AMOUNT OF SUCH PAYMENT WOULD BE REASONABLE IF PAID AS COMPENSATION FOR SIMILAR SERVICES TO A NONPARTNER EMPLOYEE.

7-64-1005. Liability of general partner upon return of contribution. (1) IF A GENERAL PARTNER IN A LIMITED LIABILITY PARTNERSHIP OR LIMITED LIABILITY LIMITED PARTNERSHIP HAS RECEIVED THE RETURN OF ALL OR ANY PART OF THAT GENERAL PARTNER'S CONTRIBUTION IN VIOLATION OF THE PARTNERSHIP AGREEMENT OR OF THIS PART 10, SUCH GENERAL PARTNER IS LIABLE TO THE LIMITED LIABILITY PARTNERSHIP OR THE LIMITED LIABILITY LIMITED PARTNERSHIP FOR A PERIOD OF SIX YEARS THEREAFTER FOR THE AMOUNT OF THE CONTRIBUTION WRONGFULLY RETURNED.

(2) A GENERAL PARTNER RECEIVES A RETURN OF THE GENERAL PARTNER'S CONTRIBUTION TO THE EXTENT THAT A DISTRIBUTION TO THE GENERAL PARTNER REDUCES THE GENERAL PARTNER'S SHARE OF THE FAIR VALUE OF THE NET ASSETS OF THE LIMITED LIABILITY PARTNERSHIP OR THE LIMITED LIABILITY LIMITED PARTNERSHIP BELOW THE VALUE, AS OF THE DATE OF DISTRIBUTION, OF THE GENERAL PARTNER'S CONTRIBUTION WHICH HAS NOT BEEN DISTRIBUTED TO THE GENERAL PARTNER.

7-64-1006. Governing law. THE ORGANIZATION AND INTERNAL AFFAIRS AND THE LIABILITY OF PARTNERS OF A FOREIGN LIMITED LIABILITY PARTNERSHIP AND A FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP SHALL BE GOVERNED BY THE LAWS OF THE JURISDICTION THAT GOVERN THE AGREEMENT UNDER WHICH SUCH PARTNERSHIP WAS FORMED. A FOREIGN LIMITED LIABILITY PARTNERSHIP AND A FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP MAY NOT BE DENIED REGISTRATION BY REASON OF ANY DIFFERENCE BETWEEN THE LAWS PURSUANT TO WHICH IT IS GOVERNED AND THE LAWS OF THIS STATE.

7-64-1007. Reports. (1) EACH REGISTRANT SHALL, WITHIN THE TIME PRESCRIBED BY THIS SECTION, DELIVER TO THE SECRETARY OF STATE FOR FILING A REPORT SETTING FORTH THE NAME OF THE PERSON AND, IF A FOREIGN PERSON, THE STATE WHERE IT IS ORGANIZED AND, IF DIFFERENT FROM THAT REFLECTED ON ITS REGISTRATION STATEMENT:

(a) THE ADDRESS OF ITS CHIEF EXECUTIVE OFFICE; AND

(b) IF ITS CHIEF EXECUTIVE OFFICE IS NOT LOCATED IN THIS STATE, THE ADDRESS OF A REGISTERED OFFICE AND THE NAME OF A REGISTERED AGENT AT SUCH OFFICE FOR SERVICE OF PROCESS IN THIS STATE.

(2)(a) THE SECRETARY OF STATE SHALL INITIATE THE REPORT PROCESS BY ISSUING

A REPORT FORM TO THE REGISTRANT IN A DESIGNATED YEAR ON OR BEFORE THE LAST DAY OF THE MONTH IN WHICH THE REGISTRATION STATEMENT WAS FILED. THE REGISTRANT SHALL RETURN THE REPORT TO THE SECRETARY OF STATE, HAND-DELIVERED OR POSTMARKED ON OR BEFORE THE SIXTIETH DAY AFTER THE LAST DAY OF THE MONTH IN WHICH THE SECRETARY OF STATE MAILED THE REPORT FORM TO THE REGISTRANT.

(b) THE INFORMATION REQUIRED SHALL BE GIVEN AS OF THE DATE OF THE EXECUTION OF THE REPORT, AND IT SHALL BE EXECUTED BY A GENERAL PARTNER OR, IF THE REGISTRANT IS IN THE HANDS OF A RECEIVER OR TRUSTEE, BY THE RECEIVER OR TRUSTEE ON BEHALF OF THE REGISTRANT. WHETHER OR NOT A REPORT CONTAINS AN ACKNOWLEDGMENT, VERIFICATION, OR PROOF, THE SIGNATURE OF EACH PERSON SIGNING THE REPORT SHALL CONSTITUTE THE AFFIRMATION OR ACKNOWLEDGMENT OF SUCH PERSON, UNDER THE PENALTIES OF PERJURY, THAT THE REPORT IS THE REGISTRANT'S ACT AND DEED AND THAT THE FACTS STATED THEREIN ARE TRUE.

7-64-1008. Failure to pay fees or file reports. (1) IF ANY REGISTRANT HAS FAILED TO PAY THE FEES REQUIRED BY LAW OR TO DELIVER FOR FILING ANY REPORT REQUIRED BY SECTION 7-64-1007, THE SECRETARY OF STATE SHALL GIVE NOTICE BY FIRST-CLASS MAIL TO THE REGISTRANT OF SUCH FAILURE. SIXTY DAYS AFTER THE DATE OF MAILING OF SUCH NOTICE, UNLESS THE REPORT WITH THE FEE AND PENALTY, IF DUE, HAS BEEN DELIVERED AND PAID TO THE SECRETARY OF STATE, THE REGISTRATION OF SUCH REGISTRANT SHALL BE REVOKED.

(2) ANY PERSON THAT CEASES TO BE A REGISTRANT UNDER SUBSECTION (1) OF THIS SECTION SHALL NOT BE CONSIDERED TO HAVE DISSOLVED AS A RESULT OF CEASING TO BE A REGISTRANT.

(3) A REGISTRATION THAT HAS BEEN REVOKED UNDER SUBSECTION (1) OF THIS SECTION MAY BE REINSTATED IF SUCH PERSON APPLIES TO THE SECRETARY OF STATE FOR REINSTATEMENT AND TAKES SOME OR ALL OF THE FOLLOWING STEPS, AS APPLICABLE:

(a) PAYING A REINSTATEMENT FEE AS DETERMINED BY THE SECRETARY OF STATE;

(b) MAKING AND DELIVERING A CURRENT REPORT UNDER SECTION 7-64-1007 AND PAYING THE FEE DUE UPON FILING SUCH REPORT FOR THE YEAR IN WHICH IT IS TO BE REINSTATED;

(c) PAYING A LATE FILING PENALTY FOR THE CURRENT REPORT IF DELIVERED FOR FILING AFTER THE REQUIRED REPORTING DATE;

(d) PAYING AN AMOUNT EQUAL TO THE FEE CHARGED AND COLLECTED FOR FILING OF CORPORATE REPORTS FOR DOMESTIC CORPORATIONS PLUS A LATE FILING PENALTY FOR EACH YEAR A REQUIRED LIMITED LIABILITY PARTNERSHIP REPORT WAS NOT FILED.

(4) IF A PERSON OBTAINS THE REINSTATEMENT OF ITS REGISTRATION WITHIN TWO YEARS AFTER THE DATE ON WHICH THE REGISTRATION WAS REVOKED, THE REGISTRATION SHALL BE DEEMED NOT TO HAVE BEEN REVOKED.

7-64-1009. Application of corporation case law to set aside limited liability.

(1) IN ANY CASE IN WHICH A PARTY SEEKS TO HOLD THE GENERAL PARTNERS OF A LIMITED LIABILITY PARTNERSHIP OR LIMITED LIABILITY LIMITED PARTNERSHIP PERSONALLY RESPONSIBLE FOR THE ALLEGED IMPROPER ACTIONS OF THE LIMITED LIABILITY PARTNERSHIP OR LIMITED LIABILITY LIMITED PARTNERSHIP, THE COURT SHALL APPLY THE CASE LAW THAT INTERPRETS THE CONDITIONS AND CIRCUMSTANCES UNDER WHICH THE CORPORATE VEIL OF A CORPORATION MAY BE PIERCED UNDER COLORADO LAW.

(2) FOR PURPOSES OF THIS SECTION, THE FAILURE OF A LIMITED LIABILITY PARTNERSHIP OR LIMITED LIABILITY LIMITED PARTNERSHIP TO OBSERVE THE FORMALITIES OR REQUIREMENTS RELATING TO THE MANAGEMENT OF ITS BUSINESS AND AFFAIRS IS NOT IN ITSELF A GROUND FOR IMPOSING PERSONAL LIABILITY ON THE PARTNERS FOR DEBTS, OBLIGATIONS, OR LIABILITIES OF THE LIMITED LIABILITY PARTNERSHIP OR LIMITED LIABILITY LIMITED PARTNERSHIP.

7-64-1010. Scope of part - choice of law - application to professions and occupations. (1) A LIMITED LIABILITY PARTNERSHIP OR LIMITED LIABILITY LIMITED PARTNERSHIP MAY CONDUCT ITS BUSINESS, CARRY ON ITS OPERATIONS, AND EXERCISE THE POWERS GRANTED BY THIS PART 10 WITHIN AND WITHOUT THE STATE.

(2) (a) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THE LEGAL EXISTENCE OF LIMITED LIABILITY PARTNERSHIPS AND LIMITED LIABILITY LIMITED PARTNERSHIPS BE RECOGNIZED OUTSIDE THE BOUNDARIES OF THIS STATE AND THAT THE LAWS OF THIS STATE GOVERNING THE LIMITED LIABILITY PARTNERSHIP OR LIMITED LIABILITY LIMITED PARTNERSHIP TRANSACTING BUSINESS OUTSIDE THIS STATE BE GRANTED THE PROTECTION OF FULL FAITH AND CREDIT UNDER SECTION 1 OF ARTICLE IV OF THE CONSTITUTION OF THE UNITED STATES.

(b) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THE INTERNAL AFFAIRS OF A LIMITED LIABILITY PARTNERSHIP OR LIMITED LIABILITY LIMITED PARTNERSHIP FORMED IN THIS STATE BE SUBJECT TO AND GOVERNED BY THE LAWS OF THIS STATE INCLUDING THE PROVISIONS GOVERNING LIABILITY OF GENERAL PARTNERS FOR DEBTS, OBLIGATIONS, AND LIABILITIES CHARGEABLE TO PARTNERSHIPS, LIMITED LIABILITY PARTNERSHIPS, AND LIMITED LIABILITY LIMITED PARTNERSHIPS.

(3) NOTHING IN THIS PART 10 SHALL BE CONSTRUED TO PERMIT A LIMITED LIABILITY PARTNERSHIP, FOREIGN LIMITED LIABILITY PARTNERSHIP, LIMITED LIABILITY LIMITED PARTNERSHIP, OR FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP TO ENGAGE IN A PROFESSION OR OCCUPATION AS DESCRIBED IN TITLE 12, C.R.S., FOR WHICH THERE IS A SPECIFIC STATUTORY PROVISION APPLICABLE TO THE PRACTICE OF SUCH PROFESSION OR OCCUPATION BY A CORPORATION OR PROFESSIONAL CORPORATION IN THIS STATE UNLESS AUTHORIZED UNDER APPLICABLE PROVISIONS OF TITLE 12, C.R.S.

PART 11
SECRETARY OF STATE, FILING DOCUMENTS,
AND REGISTERED OFFICE AND AGENT

7-64-1101. Definitions. AS USED IN THIS PART 11, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "PARTNER" MEANS A PARTNER IN A PARTNERSHIP OR A FOREIGN LIMITED LIABILITY PARTNERSHIP OR A GENERAL PARTNER IN A LIMITED PARTNERSHIP OR A FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP.

(2) "PARTNERSHIP" MEANS A PARTNERSHIP, A LIMITED PARTNERSHIP, A FOREIGN LIMITED LIABILITY PARTNERSHIP, OR A FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP.

(3) "PARTNERSHIP AGREEMENT" MEANS THE PARTNERSHIP AGREEMENT IN A PARTNERSHIP, A LIMITED PARTNERSHIP, A FOREIGN LIMITED LIABILITY PARTNERSHIP, OR A FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP.

7-64-1102. Powers of secretary of state. THE SECRETARY OF STATE HAS ALL POWERS REASONABLY NECESSARY TO PERFORM THE DUTIES REQUIRED OF THE OFFICE BY THIS ARTICLE.

7-64-1103. Filing requirements - number of copies - signature as affirmation.

(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 BY THE SECRETARY OF STATE.

(2) THE DOCUMENT SHALL BE ONE WHICH IS REQUIRED OR PERMITTED BY THIS ARTICLE TO BE DELIVERED FOR FILING IN THE OFFICE OF THE SECRETARY OF STATE.

(3) THE DOCUMENT SHALL CONTAIN ALL INFORMATION REQUIRED BY THIS ARTICLE AND MAY CONTAIN OTHER INFORMATION AS WELL.

(4) THE DOCUMENT SHALL BE TYPEWRITTEN OR PRINTED.

(5) THE DOCUMENT SHALL BE IN THE ENGLISH LANGUAGE. A PARTNERSHIP NAME NEED NOT BE IN ENGLISH IF WRITTEN IN ENGLISH LETTERS OR ARABIC OR ROMAN NUMERALS, AND THE CERTIFICATE OF EXISTENCE REQUIRED OF FOREIGN PARTNERSHIPS NEED NOT BE IN ENGLISH IF ACCOMPANIED BY A REASONABLY AUTHENTICATED ENGLISH TRANSLATION.

(6) THE DOCUMENT SHALL BE EXECUTED, OR SHALL BE A TRUE COPY, MADE BY PHOTOGRAPHIC, XEROGRAPHIC, OR OTHER PROCESS PROVIDING SIMILAR COPY ACCURACY, OF A DOCUMENT THAT HAS BEEN EXECUTED, AS FOLLOWS:

(a) EXCEPT AS MAY BE OTHERWISE PROVIDED IN THIS ARTICLE:

(I) BY TWO OR MORE PARTNERS; OR

(II) BY ANY PERSON AUTHORIZED UNDER THIS ARTICLE, THE PARTNERSHIP AGREEMENT, OR OTHER LAW TO EXECUTE THE DOCUMENT;

(b) IF THE PARTNERSHIP IS IN THE HANDS OF A RECEIVER, TRUSTEE, OR OTHER COURT-APPOINTED FIDUCIARY, BY THAT FIDUCIARY; OR

(c) IF THE DOCUMENT IS THAT OF A REGISTERED AGENT, BY THE REGISTERED AGENT, IF THE PERSON IS AN INDIVIDUAL, OR BY A PERSON AUTHORIZED BY THE

REGISTERED AGENT TO EXECUTE THE DOCUMENT, IF THE REGISTERED AGENT IS AN ENTITY.

(7) THE PERSON EXECUTING THE DOCUMENT SHALL STATE BENEATH OR OPPOSITE SUCH PERSON'S SIGNATURE HIS OR HER NAME AND THE CAPACITY IN WHICH THE PERSON SIGNS.

(8) THE DOCUMENT MAY BUT NEED NOT CONTAIN AN ACKNOWLEDGMENT, VERIFICATION, OR PROOF.

(9) WHETHER OR NOT THE DOCUMENT CONTAINS AN ACKNOWLEDGMENT, VERIFICATION, OR PROOF PERMITTED BY SUBSECTION (8) OF THIS SECTION, THE SIGNATURE OF EACH PERSON SIGNING THE DOCUMENT SHALL CONSTITUTE THE AFFIRMATION OR ACKNOWLEDGMENT OF SUCH PERSON, UNDER PENALTIES OF PERJURY, THAT THE DOCUMENT IS THE PERSON'S ACT AND DEED OR THE ACT AND DEED OF THE PARTNERSHIP AND THAT THE FACTS STATED IN THE DOCUMENT ARE TRUE.

(10) IF THE SECRETARY OF STATE REQUIRES THE USE OF A FORM OR COVER SHEET FOR A DOCUMENT UNDER SECTION 7-64-1104, THE DOCUMENT SHALL BE IN OR ON THE REQUIRED FORM OR SHALL HAVE THE REQUIRED COVER SHEET.

(11) THE DOCUMENT SHALL BE DELIVERED TO THE SECRETARY OF STATE FOR FILING AND SHALL BE ACCOMPANIED BY ONE EXACT OR CONFORMED COPY THEREOF (EXCEPT AS PROVIDED IN SECTION 7-64-1115), THE CORRECT FILING FEE, AND ANY PENALTY REQUIRED BY THIS ARTICLE OR OTHER LAW. EXCEPT WITH RESPECT TO FILINGS PURSUANT TO SECTION 7-64-1115, THE DOCUMENT SHALL STATE, OR BE ACCOMPANIED BY A WRITING STATING, THE ADDRESS TO WHICH THE SECRETARY OF STATE MAY DELIVER A COPY UPON COMPLETION OF THE FILING.

7-64-1104. Forms - secretary of state to furnish upon request. THE SECRETARY OF STATE MAY PREPARE AND FURNISH FORMS AND COVER SHEETS FOR ANY DOCUMENT REQUIRED OR PERMITTED BY THIS ARTICLE AND MAY REQUIRE THE USE OF ANY SUCH FORM OR COVER SHEET; HOWEVER, NO REQUIREMENT THAT A FORM OR COVER SHEET BE USED SHALL PRECLUDE IN ANY WAY THE INCLUSION IN ANY DOCUMENT OF ANY ITEM THE INCLUSION OF WHICH IS NOT PROHIBITED BY THIS ARTICLE OR REQUIRE THE INCLUSION THEREIN OF ANY ITEM THE INCLUSION OF WHICH IS NOT REQUIRED BY THIS ARTICLE. THE SECRETARY OF STATE SHALL FURNISH, ON REQUEST, ANY FORM OR COVER SHEET THAT THE SECRETARY OF STATE REQUIRES TO BE USED PURSUANT TO THIS SECTION.

7-64-1105. Filing, service, and copying fees - subpoenas. (1) THE SECRETARY OF STATE SHALL CHARGE AND COLLECT FEES AND OTHER CHARGES, WHICH SHALL BE DETERMINED AND COLLECTED PURSUANT TO SECTION 24-21-104 (3), C.R.S., FOR:

- (a) ISSUING ANY CERTIFICATE;
- (b) FURNISHING WRITTEN INFORMATION CONCERNING ANY PARTNERSHIP;
- (c) FURNISHING A COPY OF ANY DOCUMENT OR INSTRUMENT;
- (d) CERTIFYING A COPY OF ANY DOCUMENT OR INSTRUMENT THAT IS ON FILE WITH

THE SECRETARY OF STATE;

(e) SERVICE OF ANY NOTICE, DEMAND, OR PROCESS UPON THE SECRETARY OF STATE AS THE REGISTERED AGENT OF A PARTNERSHIP, WHICH AMOUNT MAY BE RECOVERED AS COSTS BY THE PARTY TO THE SUIT, ACTION, OR PROCEEDING CAUSING SUCH SERVICE TO BE MADE IF SUCH PARTY PREVAILS THEREIN; AND

(f) FILING ANY DOCUMENT REQUIRED OR PERMITTED TO BE FILED UNDER THIS ARTICLE.

(2) THE SECRETARY OF STATE SHALL CHARGE AND COLLECT, AT THE TIME OF SERVICE OF ANY SUBPOENA UPON THE SECRETARY OF STATE OR ANY DEPUTY OR EMPLOYEE OF THE SECRETARY OF STATE'S OFFICE, A FEE OF FIFTY DOLLARS AND AN ALLOWANCE OF TEN DOLLARS FOR MEALS AND A CHARGE FOR MILEAGE AT THE RATE PRESCRIBED BY SECTION 24-9-104, C.R.S., FOR EACH MILE FROM THE STATE CAPITOL BUILDING TO THE PLACE NAMED IN THE SUBPOENA. THE FEE SHALL BE PAID TO THE SECRETARY OF STATE; THE MEAL ALLOWANCE AND MILEAGE CHARGE SHALL BE PAID TO THE PERSON NAMED IN THE SUBPOENA. IF THE PERSON NAMED IN THE SUBPOENA IS REQUIRED TO APPEAR AT THE PLACE NAMED IN THE SUBPOENA FOR MORE THAN ONE DAY, HE OR SHE SHALL BE PAID IN ADVANCE A PER DIEM ALLOWANCE OF FORTY-FOUR DOLLARS FOR EACH DAY OF ATTENDANCE IN ADDITION TO ANY OTHER FEES, ALLOWANCES, AND CHARGES.

(3) THE SECRETARY OF STATE SHALL CHARGE AND COLLECT ALL OTHER FEES AND PENALTIES IMPOSED BY OR ASSESSED IN ACCORDANCE WITH THIS ARTICLE.

(4) IN ALL CASES WHERE FEES OR CHARGES ARE IMPOSED UNDER THIS ARTICLE, THE FEE SHALL INCLUDE INDEXING AND FILING OF THE DOCUMENT AND SHALL INCLUDE AFFIXING THE SEAL OF THE SECRETARY OF STATE UPON ANY CERTIFIED COPY.

7-64-1106. Effective time and date of document. (1) EXCEPT AS PROVIDED IN SUBSECTION (2) OF THIS SECTION AND IN SECTION 7-64-1107 (4), A DOCUMENT THAT IS FILED BY THE SECRETARY OF STATE IS EFFECTIVE:

(a) AT THE TIME OF FILING ON THE DATE IT IS FILED, AS EVIDENCED BY THE SECRETARY OF STATE'S TIME AND DATE ENDORSEMENT ON THE DOCUMENT; OR

(b) AT THE LATER OF THE TIME SPECIFIED IN THE DOCUMENT AS ITS EFFECTIVE TIME ON THE DATE IT IS FILED, AS SUCH DATE IS SPECIFIED IN THE SECRETARY OF STATE'S TIME AND DATE ENDORSEMENT ON THE DOCUMENT, OR THE TIME SPECIFIED IN SUCH TIME AND DATE ENDORSEMENT OF THE SECRETARY OF STATE.

(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 DOCUMENT SPECIFIES A DELAYED EFFECTIVE DATE BUT NOT A TIME, THE DOCUMENT IS EFFECTIVE AT THE CLOSE OF BUSINESS ON THAT DATE. IF A DOCUMENT SPECIFIES A DELAYED EFFECTIVE DATE THAT IS LATER THAN THE NINETIETH DAY AFTER THE DATE THE DOCUMENT IS FILED, THE DOCUMENT IS EFFECTIVE ON THE NINETIETH DAY AFTER IT IS FILED.

(3) IF A DOCUMENT SPECIFIES A DELAYED EFFECTIVE DATE PURSUANT TO

SUBSECTION (2) OF THIS SECTION, THE DOCUMENT MAY BE PREVENTED FROM BECOMING EFFECTIVE BY DELIVERING TO THE SECRETARY OF STATE FOR FILING, ON OR BEFORE THE EARLIER OF THE SPECIFIED EFFECTIVE DATE OF THE DOCUMENT OR THE NINETIETH DAY AFTER THE DOCUMENT IS FILED, A CERTIFICATE OF WITHDRAWAL, EXECUTED IN THE SAME MANNER AS THE DOCUMENT BEING WITHDRAWN, STATING:

(a) THAT THE DOCUMENT HAS BEEN REVOKED BY APPROPRIATE ACTION BY THE PARTNERSHIP OR BY COURT ORDER OR DECREE AND IS VOID; AND

(b) IN THE CASE OF A COURT ORDER OR DECREE, THAT SUCH COURT ORDER OR DECREE WAS ENTERED BY A COURT HAVING JURISDICTION OF THE PROCEEDING FOR THE REORGANIZATION OF THE PARTNERSHIP UNDER A SPECIFIED STATUTE OF THE UNITED STATES.

7-64-1107. Correcting filed document. (1) A PARTNERSHIP MAY CORRECT A DOCUMENT FILED BY THE SECRETARY OF STATE IF THE DOCUMENT CONTAINS AN ERROR OR WAS DEFECTIVELY EXECUTED, ATTESTED, VERIFIED, OR ACKNOWLEDGED.

(2) A DOCUMENT IS CORRECTED BY DELIVERING TO THE SECRETARY OF STATE FOR FILING A STATEMENT OF CORRECTION THAT:

(a) DESCRIBES THE DOCUMENT, INCLUDING ITS FILING DATE, OR HAS A COPY OF IT ATTACHED TO THE STATEMENT OF CORRECTION;

(b) SPECIFIES THE ERROR AND THE REASON IT IS INCORRECT OR THE MANNER IN WHICH THE EXECUTION, ATTESTATION, VERIFICATION, OR ACKNOWLEDGMENT WAS DEFECTIVE; AND

(c) CORRECTS THE ERROR OR THE DEFECTIVE EXECUTION, ATTESTATION, VERIFICATION, OR ACKNOWLEDGMENT.

(3) A STATEMENT OF CORRECTION MAY BE EXECUTED BY ANY PERSON DESIGNATED IN SECTION 7-64-1103 (6) OR BY THE PERSON OR PERSONS WHO EXECUTED THE DOCUMENT THAT IS CORRECTED.

(4) A STATEMENT OF CORRECTION IS EFFECTIVE ON THE EFFECTIVE DATE OF THE DOCUMENT IT CORRECTS EXCEPT AS TO PERSONS RELYING ON THE UNCORRECTED DOCUMENT AND ADVERSELY AFFECTED BY THE CORRECTION. AS TO THOSE PERSONS, THE STATEMENT OF CORRECTION IS EFFECTIVE WHEN FILED.

7-64-1108. Filing duty of secretary of state - manner of filing. (1) IF A DOCUMENT DELIVERED TO THE SECRETARY OF STATE FOR FILING SATISFIES THE REQUIREMENTS OF SECTION 7-64-1103, THE SECRETARY OF STATE SHALL FILE IT.

(2) THE SECRETARY OF STATE FILES A DOCUMENT BY LEGIBLY STAMPING OR OTHERWISE ENDORSING THE WORD "FILED", TOGETHER WITH THE NAME AND OFFICIAL TITLE OF THE SECRETARY OF STATE AND THE TIME AND DATE OF RECEIPT, ON BOTH THE DOCUMENT AND THE ACCOMPANYING COPY OR COPIES. AFTER FILING A DOCUMENT, EXCEPT AS PROVIDED IN SECTIONS 7-64-304 AND 7-64-1115 OF THIS ARTICLE, THE SECRETARY OF STATE SHALL DELIVER THE ACCOMPANYING COPY, WITH THE RECEIPT FOR FILING FEES, IF ANY, TO THE PARTNERSHIP OR ITS REPRESENTATIVE.

(3) IF THE SECRETARY OF STATE REFUSES TO FILE A DOCUMENT, THE SECRETARY OF STATE SHALL RETURN IT TO THE PERSON DELIVERING THE DOCUMENT, TOGETHER WITH A WRITTEN NOTICE PROVIDING A BRIEF EXPLANATION OF THE REASON FOR THE REFUSAL, WITHIN TEN DAYS AFTER THE DOCUMENT WAS DELIVERED TO THE SECRETARY OF STATE.

(4) THE SECRETARY OF STATE'S DUTY TO FILE DOCUMENTS UNDER THIS SECTION IS MINISTERIAL. EXCEPT AS OTHERWISE PROVIDED IN THIS ARTICLE, THE FILING OF OR REFUSAL TO FILE A DOCUMENT DOES NOT:

- (a) AFFECT THE VALIDITY OR INVALIDITY OF THE DOCUMENT IN WHOLE OR IN PART;
- (b) RELATE TO THE CORRECTNESS OR INCORRECTNESS OF INFORMATION CONTAINED IN THE DOCUMENT; OR
- (c) CREATE A PRESUMPTION THAT THE DOCUMENT IS VALID OR INVALID OR THAT INFORMATION CONTAINED IN THE DOCUMENT IS CORRECT OR INCORRECT.

7-64-1109. 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 OF STATE FOR FILING, THE PERSON DELIVERING THE DOCUMENT FOR FILING MAY, WITHIN FORTY-FIVE DAYS AFTER THE EFFECTIVE DATE OF THE NOTICE OF THE REFUSAL GIVEN BY THE SECRETARY OF STATE PURSUANT TO SECTION 7-64-1108 (3), APPEAL TO THE DISTRICT COURT OF THE COUNTY WHERE THE REGISTERED OR CHIEF EXECUTIVE OFFICE OF THE PARTNERSHIP IS LOCATED, OR IF THE PARTNERSHIP HAS NEITHER SUCH OFFICE, IN THE DISTRICT COURT FOR THE CITY AND COUNTY OF DENVER. THE APPEAL IS COMMENCED BY PETITIONING THE COURT TO COMPEL THE FILING OF THE DOCUMENT BY THE SECRETARY OF STATE AND BY ATTACHING TO THE PETITION A COPY OF THE DOCUMENT AND A COPY OF THE SECRETARY OF STATE'S NOTICE OF REFUSAL.

(2) THE COURT MAY ORDER THE SECRETARY OF STATE TO FILE THE DOCUMENT OR TO TAKE SUCH OTHER ACTION AS THE COURT CONSIDERS APPROPRIATE.

(3) THE COURT'S ORDER OR DECISION MAY BE APPEALED AS IN OTHER CIVIL PROCEEDINGS.

7-64-1110. 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, EITHER MANUAL OR FACSIMILE, AND THE SEAL OF THIS STATE IS PRIMA FACIE EVIDENCE THAT THE DOCUMENT IS ON FILE WITH THE SECRETARY OF STATE.

7-64-1111. Certificates issued by secretary of state. (1) THE SECRETARY OF STATE SHALL ISSUE TO ANY PERSON, UPON REQUEST, A CERTIFICATE THAT SETS FORTH ANY FACTS OF RECORD IN THE OFFICE OF THE SECRETARY OF STATE.

(2) A CERTIFICATE ISSUED BY THE SECRETARY OF STATE MAY BE RELIED UPON, SUBJECT TO ANY QUALIFICATION STATED IN THE CERTIFICATE, AS PRIMA FACIE EVIDENCE OF THE FACTS SET FORTH THEREIN.

7-64-1112. Proof of filing. (1) THE SECRETARY OF STATE MAY CONSIDER A DOCUMENT TO HAVE BEEN RECEIVED FOR FILING UPON PROOF OF RECEIPT WITH A SIGNED RETURN RECEIPT, AN ENTRY OF A LOG MAINTAINED BY THE SECRETARY OF STATE OF FACSIMILE TRANSMISSIONS RECEIVED, OR SUCH OTHER AND ADDITIONAL PROOF OF RECEIPT OF THE DOCUMENTS RECEIVED AS THE SECRETARY OF STATE MAY REQUIRE. SUCH PROOF SHALL BE SATISFACTORY TO THE SECRETARY OF STATE BEFORE THE DOCUMENT WILL BE CONSIDERED RECEIVED.

(2) THE SECRETARY OF STATE MAY REQUIRE THAT THE RECEIPT OF A DOCUMENT BY FACSIMILE TRANSMISSION ON OR AFTER THE EFFECTIVE DATE OF THIS ARTICLE BE SHOWN IN THE LOG OF FACSIMILE TRANSMISSIONS RECEIVED BY THE SECRETARY OF STATE. THE SECRETARY OF STATE MAY CONDITION RELIEF UNDER THIS SECTION UPON FULFILLMENT OF SUCH OTHER REQUIREMENTS OR CONDITIONS THAT THE SECRETARY OF STATE FINDS APPROPRIATE, INCLUDING, WITHOUT LIMITATION, THE MAKING OF A CHANGE OF NAME OF THE ENTITY INVOLVED AND PAYMENT OF FEES FOR THE FILING.

(3) APPLICATION FOR RELIEF UNDER THIS SECTION SHALL BE DELIVERED TO THE SECRETARY OF STATE WITHIN SIXTY DAYS AFTER THE RECEIPT OF SUCH DOCUMENT BY THE SECRETARY OF STATE. THE SECRETARY OF STATE MAY CONSIDER SUCH APPLICATIONS FILED AFTER THE EFFECTIVE DATE OF THIS ARTICLE. THE APPLICATION SHALL CONTAIN SUFFICIENT INFORMATION FOR THE SECRETARY OF STATE TO IDENTIFY THE TRANSACTION.

7-64-1113. Registered office and registered agent. (1) EACH PARTNERSHIP THAT IS REGISTERED UNDER SECTION 7-64-1002 AND WHOSE CHIEF EXECUTIVE OFFICE IS NOT LOCATED IN THIS STATE SHALL CONTINUOUSLY MAINTAIN IN THIS STATE:

(a) A REGISTERED OFFICE; AND

(b) A REGISTERED AGENT, WHO SHALL BE:

(I) AN INDIVIDUAL WHO RESIDES IN THIS STATE AND WHOSE BUSINESS OFFICE IS IDENTICAL WITH THE REGISTERED OFFICE;

(II) A DOMESTIC CORPORATION WHOSE BUSINESS OFFICE IS IDENTICAL WITH THE REGISTERED OFFICE; OR

(III) A FOREIGN CORPORATION AUTHORIZED TO TRANSACT BUSINESS IN THIS STATE WHOSE BUSINESS OFFICE IS IDENTICAL WITH THE REGISTERED OFFICE.

7-64-1114. Change of registered office or registered agent. (1) A 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:

(a) THE NAME OF THE PARTNERSHIP;

(b) THE STREET ADDRESS OF ITS CURRENT REGISTERED OFFICE;

(c) IF THE REGISTERED OFFICE IS TO BE CHANGED, THE STREET ADDRESS OF THE NEW REGISTERED OFFICE;

(d) THE NAME OF ITS CURRENT REGISTERED AGENT;

(e) IF THE REGISTERED AGENT IS TO BE CHANGED, THE NAME OF THE NEW REGISTERED AGENT AND THE NEW REGISTERED AGENT'S WRITTEN CONSENT TO THE APPOINTMENT, EITHER ON THE STATEMENT OF CHANGE OR IN AN ACCOMPANYING DOCUMENT; AND

(f) THAT, AFTER THE CHANGE OR CHANGES ARE MADE, THE STREET ADDRESSES OF ITS REGISTERED OFFICE AND OF 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 PARTNERSHIP FOR WHICH THE REGISTERED AGENT IS THE REGISTERED AGENT BY GIVING WRITTEN NOTICE TO THE PARTNERSHIP OF THE CHANGE AND EXECUTING, EITHER MANUALLY OR IN FACSIMILE, AND DELIVERING TO THE SECRETARY OF STATE FOR FILING A STATEMENT OF CHANGE THAT COMPLIES WITH THE REQUIREMENTS OF SUBSECTION (1) OF THIS SECTION AND RECITES THAT NOTICE OF THE CHANGE HAS BEEN GIVEN TO THE PARTNERSHIP.

7-64-1115. Resignation of registered agent. (1) THE REGISTERED AGENT OF A PARTNERSHIP MAY RESIGN THE AGENCY BY DELIVERING TO THE SECRETARY OF STATE FOR FILING A STATEMENT OF RESIGNATION, WHICH SHALL BE ACCOMPANIED BY TWO EXACT OR CONFORMED COPIES THEREOF. THE STATEMENT OF RESIGNATION MAY INCLUDE A STATEMENT THAT THE REGISTERED OFFICE IS ALSO DISCONTINUED.

(2) AFTER FILING THE STATEMENT OF RESIGNATION, THE SECRETARY OF STATE SHALL DELIVER ONE COPY TO THE REGISTERED OFFICE OF THE PARTNERSHIP AND THE OTHER COPY TO THE CHIEF EXECUTIVE OFFICE OF THE PARTNERSHIP.

(3) THE AGENCY APPOINTMENT IS TERMINATED, AND THE REGISTERED OFFICE DISCONTINUED IF SO PROVIDED, ON THE THIRTY-FIRST DAY AFTER THE DATE ON WHICH THE STATEMENT OF RESIGNATION WAS FILED.

7-64-1116. Service on partnership. (1) A PARTNERSHIP'S REGISTERED AGENT IS THE PARTNERSHIP'S AGENT FOR SERVICE OF ANY PROCESS, NOTICE, OR DEMAND REQUIRED OR PERMITTED BY LAW TO BE SERVED ON THE PARTNERSHIP.

(2) IF A PARTNERSHIP HAS NO REGISTERED AGENT, OR THE REGISTERED AGENT CANNOT WITH REASONABLE DILIGENCE BE SERVED, THE PARTNERSHIP MAY BE SERVED BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED, ADDRESSED TO THE PARTNERSHIP AT ITS CHIEF EXECUTIVE OFFICE. SERVICE IS PERFECTED UNDER THIS SUBSECTION AT THE EARLIEST OF:

(a) THE DATE THE PARTNERSHIP RECEIVES THE PROCESS, NOTICE, OR DEMAND;

(b) THE DATE SHOWN ON THE RETURN RECEIPT, IF SIGNED ON BEHALF OF THE PARTNERSHIP; OR

(c) FIVE DAYS AFTER MAILING.

(3) THIS SECTION DOES NOT PRESCRIBE THE ONLY MEANS, OR NECESSARILY THE REQUIRED MEANS, OF SERVING A PARTNERSHIP.

PART 12
MISCELLANEOUS PROVISIONS

7-64-1201. Uniformity of application and construction. THIS ARTICLE SHALL BE APPLIED AND CONSTRUED TO EFFECTUATE ITS GENERAL PURPOSE TO MAKE UNIFORM THE LAW WITH RESPECT TO THE SUBJECT OF THIS ARTICLE AMONG STATES ENACTING IT.

7-64-1202. Title. THIS ARTICLE MAY BE CITED AS THE "COLORADO UNIFORM PARTNERSHIP ACT (1997)".

7-64-1203. Severability clause. IF ANY PROVISION OF THIS ARTICLE OR ITS APPLICATION TO ANY PERSON OR CIRCUMSTANCE IS HELD INVALID, THE INVALIDITY DOES NOT AFFECT OTHER PROVISIONS OR APPLICATIONS OF THIS ARTICLE WHICH CAN BE GIVEN EFFECT WITHOUT THE INVALID PROVISION OR APPLICATION, AND TO THIS END THE PROVISIONS OF THIS ARTICLE ARE SEVERABLE.

7-64-1204. Effective date. THIS ARTICLE TAKES EFFECT JANUARY 1, 1998.

7-64-1205. Applicability. (1) THIS ARTICLE GOVERNS ONLY A PARTNERSHIP FORMED:

(a) AFTER THE EFFECTIVE DATE OF THIS ARTICLE, UNLESS THAT PARTNERSHIP IS CONTINUING THE BUSINESS OF A PARTNERSHIP THAT HAS DISSOLVED UNDER SECTION 7-60-141; AND

(b) BEFORE THE EFFECTIVE DATE OF THIS ARTICLE, THAT ELECTS, AS PROVIDED BY SUBSECTION (2) OF THIS SECTION, TO BE GOVERNED BY THIS ARTICLE.

(2) A PARTNERSHIP VOLUNTARILY MAY ELECT, IN THE MANNER PROVIDED IN ITS PARTNERSHIP AGREEMENT OR BY LAW FOR AMENDING THE PARTNERSHIP AGREEMENT, TO BE GOVERNED BY THIS ARTICLE. THE PROVISIONS OF THIS ARTICLE RELATING TO THE LIABILITY OF THE PARTNERSHIP'S PARTNERS TO THIRD PARTIES APPLY TO LIMIT THOSE PARTNERS' LIABILITY TO A THIRD PARTY WHO HAD DONE BUSINESS WITH THE PARTNERSHIP WITHIN ONE YEAR PRECEDING THE PARTNERSHIP'S ELECTION TO BE GOVERNED BY THIS ARTICLE, ONLY IF THE THIRD PARTY HAS NOTICE OF THE PARTNERSHIP'S ELECTION TO BE GOVERNED BY THIS ARTICLE.

7-64-1206. Savings clause. THIS ARTICLE DOES NOT AFFECT AN ACTION OR PROCEEDING COMMENCED OR RIGHT ACCRUED BEFORE THIS ARTICLE TAKES EFFECT.

SECTION 2. 7-61-110, Colorado Revised Statutes, 1986 Repl. Vol., is amended BY THE ADDITION OF A NEW SUBSECTION to read:

7-61-110. General partner - rights - liabilities. (2) FOR A LIMITED PARTNERSHIP THAT HAS MADE THE ELECTION PERMITTED BY SECTION 7-61-129, THE ARTICLE SO ELECTED SHALL BE THE GOVERNING LAW FOR PURPOSES OF SUBSECTION (1) OF THIS SECTION. FOR A LIMITED PARTNERSHIP THAT HAS NOT MADE THE ELECTION

PERMITTED BY SECTION 7-61-129, ARTICLE 60 OF THIS TITLE SHALL BE THE GOVERNING LAW FOR PURPOSES OF SUBSECTION (1) OF THIS SECTION.

SECTION 3. 7-61-129, Colorado Revised Statutes, 1986 Repl. Vol., is amended to read:

7-61-129. Law governing cases not covered. ~~In any case not provided for in this article, the rules of law and equity, including the law merchant, shall govern.~~ (1) IN ANY CASE NOT PROVIDED FOR IN THIS ARTICLE, THE PROVISIONS OF EITHER ARTICLE 60 OR 64 OF THIS TITLE SHALL GOVERN, TO THE EXTENT APPLICABLE, AS FOLLOWS:

(a) A LIMITED PARTNERSHIP MAY ELECT TO BE GOVERNED BY ARTICLE 64 OF THIS TITLE BY FILING FOR RECORD IN THE OFFICE OF THE COUNTY CLERK AND RECORDER IN WHICH ITS CERTIFICATE OF LIMITED PARTNERSHIP IS FILED OF RECORD AN AMENDMENT WHICH INCLUDES A DECLARATION THAT IT ELECTS TO BE GOVERNED BY SUCH ARTICLE. IF THE ELECTION IS MADE, THE AMENDMENT SHALL BE SIGNED BY ALL GENERAL PARTNERS, NOTWITHSTANDING SECTION 7-61-126 (1) (b).

(b) A LIMITED PARTNERSHIP THAT HAS MADE THE ELECTION IN PARAGRAPH (a) OF THIS SUBSECTION (1) SHALL BE GOVERNED BY ARTICLE 64 OF THIS TITLE.

(c) A LIMITED PARTNERSHIP THAT HAS NOT MADE THE ELECTION IN PARAGRAPH (a) OF THIS SUBSECTION (1) SHALL BE GOVERNED BY ARTICLE 60 OF THIS TITLE.

SECTION 4. 7-62-101 (5.5) and (12), Colorado Revised Statutes, 1986 Repl. Vol., as amended, are amended to read:

7-62-101. Definitions. As used in this article, unless the context otherwise requires:

(5.5) "Limited liability partnership" means a registered limited liability partnership as defined in section 7-60-102 (7) OR 7-64-101 (13).

(12) "Registered limited liability limited partnership" means a domestic or foreign limited partnership that has registered under section 7-60-144 OR SECTION 7-64-1002.

SECTION 5. 7-62-109, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended to read:

7-62-109. Conversion of limited partnership into other entities. A limited partnership may become a registered limited liability limited partnership by complying with the applicable provisions of the "Uniform Partnership Law", article 60 of this title, OR THE "COLORADO UNIFORM PARTNERSHIP ACT (1997)", ARTICLE 64 OF THIS TITLE.

SECTION 6. 7-62-403, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

7-62-403. General powers and liabilities. (3) FOR A LIMITED PARTNERSHIP THAT HAS MADE THE ELECTION PERMITTED BY SECTION 7-62-1104, THE ARTICLE SO ELECTED SHALL BE THE GOVERNING LAW FOR PURPOSES OF SUBSECTIONS (1) AND (2)

OF THIS SECTION. FOR A LIMITED PARTNERSHIP THAT HAS NOT MADE THE ELECTION PERMITTED BY SECTION 7-62-1104, ARTICLE 60 OF THIS TITLE SHALL BE THE GOVERNING LAW FOR PURPOSES OF SUBSECTIONS (1) AND (2) OF THIS SECTION.

SECTION 7. 7-62-1104, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended to read:

7-62-1104. Rules for cases not provided for in this article - registration as limited liability limited partnership. (1) In any case not provided for in this article, the provisions of the "~~Uniform Partnership Law~~" shall govern. ~~A limited partnership may register as a registered limited liability limited partnership by complying with the applicable provisions of the "Uniform Partnership Law"~~. EITHER ARTICLE 60 OR 64 OF THIS TITLE SHALL GOVERN, TO THE EXTENT APPLICABLE, AS FOLLOWS:

(a) A LIMITED PARTNERSHIP MAY ELECT TO BE GOVERNED BY ARTICLE 64 OF THIS TITLE BY FILING IN THE OFFICE OF THE SECRETARY OF STATE A CERTIFICATE OF LIMITED PARTNERSHIP OR A CERTIFICATE OF AMENDMENT OF LIMITED PARTNERSHIP THAT INCLUDES A DECLARATION THAT IT ELECTS TO BE GOVERNED BY SUCH ARTICLE. IF THE ELECTION IS MADE BY A CERTIFICATE OF AMENDMENT, THE CERTIFICATE OF AMENDMENT SHALL BE SIGNED BY ALL GENERAL PARTNERS, NOTWITHSTANDING SECTION 7-62-204 (1) (b).

(b) A LIMITED PARTNERSHIP THAT HAS MADE THE ELECTION IN PARAGRAPH (a) OF THIS SUBSECTION (1) SHALL BE GOVERNED BY ARTICLE 64 OF THIS TITLE.

(c) A LIMITED PARTNERSHIP THAT HAS NOT MADE THE ELECTION IN PARAGRAPH (a) OF THIS SUBSECTION (1) SHALL BE GOVERNED BY ARTICLE 60 OF THIS TITLE.

SECTION 8. 7-80-102 (13), Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended to read:

7-80-102. Definitions. As used in this article, unless the context otherwise requires:

(13) "Partnership" means a partnership as defined in the "Uniform Partnership Law", article 60 of this title, OR THE "COLORADO UNIFORM PARTNERSHIP ACT (1997)", ARTICLE 64 OF THIS TITLE, a predecessor law, or a comparable law of another jurisdiction and includes a registered limited liability partnership.

SECTION 9. 7-80-1001.5 (3) (b), Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended to read:

7-80-1001.5. Conversion of limited liability company to partnership or limited partnership. (3) After the conversion is approved as provided in subsection (2) of this section:

(b) If the resulting organization is a registered limited liability partnership or a registered limited liability limited partnership, the limited liability company shall file with the office of the secretary of state a registration statement which satisfies the requirements of section 7-60-144 OR 7-64-1002.

SECTION 10. 12-4-110 (1.5) (c), Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended to read:

12-4-110. Partnerships - professional corporations - limited liability companies - requirements. (1.5) The practice of architecture by the following entities is permitted, subject to subsection (2) of this section:

(c) A registered limited liability partnership that has registered in accordance with section 7-60-144, C.R.S., OR QUALIFIED IN ACCORDANCE WITH SECTION 7-64-1002, C.R.S.

SECTION 11. 12-32-109.5 (6) (b), Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended to read:

12-32-109.5. Professional service corporations, limited liability companies, and registered limited liability partnerships for the practice of podiatry - definitions. (6) As used in this section, unless the context otherwise requires:

(b) "Corporation" includes a limited liability company organized under the "Colorado Limited Liability Company Act", article 80 of title 7, C.R.S., and a limited liability partnership registered under section 7-60-144 OR 7-64-1002, C.R.S.

SECTION 12. 12-33-124 (7) (b), Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended to read:

12-33-124. Professional service corporations, limited liability companies, and registered limited liability partnerships for the practice of chiropractic - definitions. (7) As used in this section, unless the context otherwise requires:

(b) "Corporation" includes a limited liability company organized under the "Colorado Limited Liability Company Act", article 80 of title 7, C.R.S., and a limited liability partnership registered under section 7-60-144 OR 7-64-1002, C.R.S.

SECTION 13. 12-36-134 (8) (b), Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended to read:

12-36-134. Professional service corporations, limited liability companies, and registered limited liability partnerships for the practice of medicine - definitions. (8) As used in this section, unless the context otherwise requires:

(b) "Corporation" includes a limited liability company organized under the "Colorado Limited Liability Company Act", article 80 of title 7, C.R.S., and a limited liability partnership registered under section 7-60-144 OR 7-64-1002, C.R.S.; except that the name of an entity other than a corporation shall contain the word "professional" or the abbreviation "prof." in addition to any other words required by the statute under which such entity is organized.

SECTION 14. 12-40-125 (7) (b), Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended to read:

12-40-125. Professional service corporations, limited liability companies, and

registered limited liability partnerships for the practice of optometry - definitions. (7) As used in this section, unless the context otherwise requires:

(b) "Corporation" includes a limited liability company organized under the "Colorado Limited Liability Company Act", article 80 of title 7, C.R.S., and a limited liability partnership registered under section 7-60-144 OR 7-64-1002, C.R.S.

SECTION 15. 12-41-124 (6) (b), Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended to read:

12-41-124. Professional service corporations, limited liability companies, and registered limited liability partnerships for the practice of physical therapy - definitions. (6) As used in this section, unless the context otherwise requires:

(b) "Corporation" includes a limited liability company organized under the "Colorado Limited Liability Company Act", article 80 of title 7, C.R.S., and a limited liability partnership registered under section 7-60-144 OR 7-64-1002, C.R.S.

SECTION 16. 12-43-211 (7) (b), Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended to read:

12-43-211. Professional service corporations for the practice of psychology, clinical social work, marriage and family therapy, and professional counseling - definitions. (7) As used in this section, unless the context otherwise requires:

(b) "Corporation" includes a limited liability company organized under the "Colorado Limited Liability Company Act", article 80 of title 7, C.R.S., and a limited liability partnership registered under section 7-60-144 OR 7-64-1002, C.R.S.

SECTION 17. 38-30-166 (5), Colorado Revised Statutes, 1982 Repl. Vol., as amended, is amended to read:

38-30-166. Trusts and joint ventures - ownership and transfer of property. (5) For the purposes of this section, the term "joint venture" does not include a partnership, as defined in the "Uniform Partnership Law", article 60 of title 7, C.R.S., OR THE "COLORADO UNIFORM PARTNERSHIP ACT (1997)", ARTICLE 64 OF TITLE 7, C.R.S., whether or not denominated a joint venture in its organizational documents or elsewhere. Except with respect to the provisions of subsection (4) of this section, as applied to any lien or encumbrance arising out of a claim by a joint venturer against another joint venturer in the joint venture, or against the joint venture itself, the provisions of this section shall not be interpreted to alter or affect the rights and duties between joint venturers of a joint venture, as may be required by law or by court decision.

SECTION 18. 38-33.3-319, Colorado Revised Statutes, 1982 Repl. Vol., as amended, is amended to read:

38-33.3-319. Other applicable statutes. To the extent that provisions of this article conflict with applicable provisions in the "Colorado Business Corporation Act", articles 101 to 117 of title 7, C.R.S., the "Colorado Nonprofit Corporation

Act", articles 20 to 29 of title 7, C.R.S., the "Uniform Partnership Law", article 60 of title 7, C.R.S., THE "COLORADO UNIFORM PARTNERSHIP ACT (1997)", ARTICLE 64 OF TITLE 7, C.R.S., the "Colorado Uniform Limited Partnership Act of 1981", article 62 of title 7, C.R.S., article 1 of this title, article 55 of title 7, C.R.S., article 33.5 of this title, and section 39-1-103 (10), C.R.S., and any other laws of the state of Colorado which now exist or which are subsequently enacted, the provisions of this article shall control.

SECTION 19. Effective date. This act shall take effect on January 1, 1998; except that, if a referendum petition is filed against this act or an item, section, or part of this act within the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Approved: May 21, 1997