
**ANALYSIS OF 2003 AMENDMENTS TO THE
DELAWARE REVISED UNIFORM
LIMITED PARTNERSHIP ACT**

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Introduction

The Delaware Revised Uniform Limited Partnership Act, 6 *Del. C.* § 17-101 *et seq.* (the "LP Act"), was amended in 2003, as it is periodically, for the purpose of keeping it current and maintaining its preeminence. The 2003 amendments to the LP Act were contained in Delaware State House Bills Nos. 201 and 268, and became effective August 1, 2003.¹ *See* 74 *Del. Laws*, c. 52 and 104. House Bills Nos. 201 and 268 amended provisions of the LP Act concerning (among other things): conversion; filings with the Delaware Secretary of State; transfer and domestication; series; trustees or receivers; and Delaware Secretary of State fees and services. House Bill No. 202 separately amended Section 2704 of Title 6 of the Delaware Code, relating to exculpatory clauses in certain contracts including partnership agreements of limited partnerships. *See* 74 *Del. Laws*, c.105.

Conversion of a Delaware Limited Partnership to a Non-Delaware Entity [§§ 17-203, 17-204, 17-206, 17-207, 17-219 and 17-1107]. Section 17-219 of the LP Act was amended by House Bill No. 201 to permit the conversion of a Delaware limited partnership, not only to a Delaware entity, but also to a non-Delaware entity. Conforming changes were made to Sections 17-203, 17-204, 17-206, 17-207, and 17-1107.

Filings with the Delaware Secretary of State [§ 17-206]. The 2003 amendments to Section 17-206 of the LP Act clarify (1) the general rule that the date and time of filing of a certificate filed with the Delaware Secretary of State is the date and time of delivery of the certificate and (2) the limited exceptions to such rule.

Transfer and Domestication [§ 17-216]. House Bill No. 201 amended Section 17-216(a) of the LP Act to clarify its language to be consistent with language used in other analogous sections of the LP Act.

Series of Limited Partners, General Partners or Partnership Interests [§ 17-218]. Section 17-218 of the LP Act has been amended to confirm the ability to provide for the establishment of one or more series and also to confirm the sufficiency of a general notice, in the certificate of limited partnership, of the limitation on liabilities of a series without referring to any specific series.

¹ The amendment to Section 17-1109(a) of the LP Act, contained in House Bill No. 268, regarding the annual tax payable by limited partnerships on or before June 1 of the following calendar year, became effective as of January 1, 2003. *See* 74 *Del. Laws*, c. 52, §§ 20 and 43.

Trustees or Receivers for Limited Partnerships; Appointment; Powers; Duties [§ 17-805]. A new Section 17-805 has been added to the LP Act. This new Section provides that, after the cancellation of the certificate of limited partnership, upon the application of a creditor, a partner, or any other person who shows good cause, the Delaware Court of Chancery may appoint one or more trustees or receivers of and for a Delaware limited partnership.

Secretary of State Fees and Services [§§17-1107 and 17-1109]. House Bill No. 268 amended Sections 17-1107 and 17-1109 of the LP Act to adjust the annual tax payable by limited partnerships and certain fees charged by the Delaware Secretary of State. (The fee to restore a limited partnership to good standing has been eliminated altogether.) The amendments also enable the Secretary of State to offer one-hour expedited service, improving on existing two-hour expedited service, which remains available.

Exculpatory Provisions in Partnership Agreements [6 Del. C. § 2704]. Section 2704(a) of Title 6 of the Delaware Code renders void and unenforceable certain contractual provisions whereby a contracting party undertakes to indemnify or hold harmless another. Among other things, amendments to Section 2704 contained in House Bill No. 202 confirm the limited application of Section 2704(a) and clarify, in a new subsection (c), that Section 2704(a) does not apply to a covenant, promise, agreement, understanding, or other provision in a partnership agreement of a Delaware limited partnership. The 2003 amendments to Section 2704 became effective August 1, 2003.