

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

Revised Uniform Partnership Act (2013)	NC UPA (1914) G.S. N.C.G.A. §§ 59-31 to 59-73	Notes
<p>SECTION 101. SHORT TITLE. This [act] may be cited as the Uniform Partnership Act.</p>	<p>§ 59-31. Articles 2 through 4A, inclusive, of this Chapter shall be known and may be cited as the North Carolina Uniform Partnership Act.</p>	
<p>SECTION 102. DEFINITIONS. In this [act]:</p> <p>(1) “Business” includes every trade, occupation, and profession.</p> <p>(2) “Contribution”, except in the phrase “right of contribution”, means property or a benefit described in Section 403 which is provided by a person to a partnership to become a partner or in the person’s capacity as a partner.</p> <p>(3) “Debtor in bankruptcy” means a person that is the subject of:</p> <p>(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</p> <p>(B) a comparable order under federal, state, or foreign law governing insolvency.</p> <p>(4) “Distribution” means a transfer of money or other property from a partnership to a person on account of a transferable interest or in a person’s capacity as a partner. The term:</p> <p>(A) includes:</p> <p>(i) a redemption or other purchase by a partnership of a transferable interest; and</p> <p>(ii) a transfer to a partner in return for the partner’s relinquishment of any right to participate as a partner in the management or conduct of the partnership’s business or have access to records or other information concerning the partnership’s business; and</p> <p>(B) does not include amounts constituting reasonable compensation for present or past service or payments made in the ordinary course of business under a bona fide retirement plan or other bona fide</p>	<p>§ 59-32. Definition of terms. As used in this Chapter, except as otherwise defined in Article 5 of this Chapter for purposes of that Article, the following definitions apply:</p> <p>(1) Act.--The North Carolina Uniform Partnership Act and refers to all provisions therein.</p> <p>(1a) Bankrupt.--Bankrupt under the Federal Bankruptcy Act or insolvent under any State insolvent act.</p> <p>(2) Business.--Every trade, occupation, or profession.</p> <p>(3) Conveyance.--Every assignment, lease, mortgage, or encumbrance.</p> <p>(4) Court.--Every court and judge having jurisdiction in the case.</p> <p>(4a) Domestic corporation.--Has the same meaning as in G.S. 55-1-40.</p> <p>(4b) Domestic limited liability company.--Has the same meaning as the term “LLC” in G.S. 57D-1-03.</p> <p>(4c) Domestic limited partnership.--Has the same meaning as in G.S. 59-102.</p> <p>(4d) Domestic nonprofit corporation.--A corporation as defined in G.S. 55A-1-40.</p> <p>(4e) Foreign corporation.--Has the same meaning as in G.S. 55-1-40.</p> <p>(4f) Foreign limited liability company.--Has the same meaning as the term “foreign LLC” in G.S. 57D-1-03.</p> <p>(4g) Foreign limited liability partnership.--A partnership that is formed under laws other than the laws of this State and has the status of a limited liability partnership or registered limited liability partnership under those laws.</p>	

RUPA vs. NC UP A Comparaison Chart (October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>benefits program.</p> <p>(5) "Foreign limited liability partnership" means a foreign partnership whose partners have limited liability for the debts, obligations, or other liabilities of the foreign partnership under a provision similar to Section 306(c).</p> <p>(6) "Foreign partnership" means an unincorporated entity formed under the law of a jurisdiction other than this state which would be a partnership if formed under the law of this state. The term includes a foreign limited liability partnership.</p> <p>(7) "Jurisdiction", used to refer to a political entity, means the United States, a state, a foreign country, or a political subdivision of a foreign country.</p> <p>(8) "Jurisdiction of formation" means the jurisdiction whose law governs the internal affairs of an entity.</p> <p>(9) "Limited liability partnership", except in the phrase "foreign limited liability partnership" and in [Article] 11, means a partnership that has filed a statement of qualification under Section 901 and does not have a similar statement in effect in any other jurisdiction.</p> <p>(10) "Partner" means a person that:</p> <p style="padding-left: 40px;">(A) has become a partner in a partnership under Section 402 or was a partner in a partnership when the partnership became subject to this [act] under Section 110; and</p> <p style="padding-left: 40px;">(B) has not dissociated as a partner under Section 601.</p> <p>(11) "Partnership", except in [Article] 11, means an association of two or more persons to carry on as co-owners a business for profit formed under this [act] or that becomes subject to this [act] under [Article] 11 or Section 110. The term includes a limited liability partnership.</p> <p>(12) "Partnership agreement" means the agreement, whether or not referred to as a partnership agreement and whether oral, implied, in a record, or in</p>	<p>(4h) Foreign limited partnership.--Has the same meaning as in G.S. 59-102.</p> <p>(4i) Foreign nonprofit corporation.--A foreign corporation as defined in G.S. 55A-1-40.</p> <p>(5) Person.--Individuals, partnerships, corporations, limited liability companies, and other associations.</p> <p>(5a) Principal office.--The office (in or out of this State) where the principal executive offices of a registered limited liability partnership or a foreign limited liability partnership are located, as designated in its most recent annual report filed with the Secretary of State or, if no annual report has yet been filed, in its application for registration as a registered limited liability partnership or foreign limited liability partnership.</p> <p>(6) Real property.--Land and any interest or estate in land.</p> <p>(7) Registered limited liability partnership.--A partnership that is registered under G.S. 59-84.2 and complies with G.S. 59-84.3.</p> <p>(8) Service-disabled veteran.--A veteran with a disability that was incurred or aggravated during the veteran's service in the Armed Forces of the United States.</p> <p>(9) Service-disabled veteran-owned small business.--A business that satisfies all of the following requirements:</p> <p style="padding-left: 20px;">a. The business's net annual receipts do not exceed one million dollars (\$1,000,000).</p> <p style="padding-left: 20px;">b. One or more service-disabled veterans own more than fifty percent (50%) of the business.</p> <p>(10) Veteran.--An individual entitled to any benefits or rights under the laws of the United States by reason of service in the Armed Forces of the United States.</p> <p>(11) Veteran-owned small business.--A business that satisfies all of the following requirements:</p> <p style="padding-left: 20px;">a. The business's net annual receipts do not exceed one million dollars (\$1,000,000).</p> <p style="padding-left: 20px;">b. One or more veterans own more than fifty percent (50%) of the business.</p>	
---	---	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>any combination thereof, of all the partners of a partnership concerning the matters described in Section 105(a). The term includes the agreement as amended or restated.</p> <p>(13) “Partnership at will” means a partnership in which the partners have not agreed to remain partners until the expiration of a definite term or the completion of a particular undertaking.</p> <p>(14) “Person” means an individual, business corporation, nonprofit corporation, partnership, limited partnership, limited liability company, [general cooperative association,] limited cooperative association, unincorporated nonprofit association, statutory trust, business trust, common-law business trust, estate, trust, association, joint venture, public corporation, government or governmental subdivision, agency, or instrumentality, or any other legal or commercial entity.</p> <p>(15) “Principal office” means the principal executive office of a partnership or a foreign limited liability partnership, whether or not the office is located in this state.</p> <p>(16) “Property” means all property, whether real, personal, or mixed or tangible or intangible, or any right or interest therein.</p> <p>(17) “Record”, used as a noun, means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.</p> <p>(18) “Registered agent” means an agent of a limited liability partnership or foreign limited liability partnership which is authorized to receive service of any process, notice, or demand required or permitted by law to be served on the partnership.</p> <p>(19) “Registered foreign limited liability partnership” means a foreign limited liability partnership that is registered to do business in this state pursuant to a statement of registration filed by the [Secretary of State].</p>		
---	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>(20) "Sign" means, with present intent to authenticate or adopt a record:</p> <p style="padding-left: 40px;">(A) to execute or adopt a tangible symbol; or</p> <p style="padding-left: 40px;">(B) to attach to or logically associate with the record an electronic symbol, sound, or process.</p> <p>(21) "State" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States.</p> <p>(22) "Transfer" includes:</p> <p style="padding-left: 40px;">(A) an assignment;</p> <p style="padding-left: 40px;">(B) a conveyance;</p> <p style="padding-left: 40px;">(C) a sale;</p> <p style="padding-left: 40px;">(D) a lease;</p> <p style="padding-left: 40px;">(E) an encumbrance, including a mortgage or security interest;</p> <p style="padding-left: 40px;">(F) a gift; and</p> <p style="padding-left: 40px;">(G) a transfer by operation of law.</p> <p>(23) "Transferable interest" means the right, as initially owned by a person in the person's capacity as a partner, to receive distributions from a partnership, whether or not the person remains a partner or continues to own any part of the right. The term applies to any fraction of the interest, by whomever owned.</p> <p>(24) "Transferee" means a person to which all or part of a transferable interest has been transferred, whether or not the transferor is a partner.</p>		
<p>SECTION 103. KNOWLEDGE; NOTICE.</p> <p>(a) A person knows a fact if the person:</p> <p style="padding-left: 40px;">(1) has actual knowledge of it; or</p> <p style="padding-left: 40px;">(2) is deemed to know it under subsection (d)(1) or law other than this [act].</p> <p>(b) A person has notice of a fact if the person:</p> <p style="padding-left: 40px;">(1) has reason to know the fact from all the facts known to the person at the time in question; or</p> <p style="padding-left: 40px;">(2) is deemed to have notice of the</p>	<p>§ 59-33. Interpretation of knowledge and notice</p> <p>(a) A person has "knowledge" of a fact within the meaning of this Act not only when he has actual knowledge thereof, but also when he has knowledge of such other facts as in the circumstances show bad faith.</p> <p>(b) A person has "notice" of a fact within the meaning of this Act when the person who claims the benefit of the notice:</p> <p style="padding-left: 40px;">(1) States the fact to such person, or</p> <p style="padding-left: 40px;">(2) Delivers through the mail, or by other means of</p>	

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>fact under subsection (d)(2). (c) Subject to Section 117(f), a person notifies another person of a fact by taking steps reasonably required to inform the other person in ordinary course, whether or not those steps cause the other person to know the fact. (d) A person not a partner is deemed: (1) to know of a limitation on authority to transfer real property as provided in Section 303(g); and (2) to have notice of: (A) a person's dissociation as a partner 90 days after a statement of dissociation under Section 704 becomes effective; and (B) a partnership's: (i) dissolution 90 days after a statement of dissolution under Section 802 becomes effective; (ii) termination 90 days after a statement of termination under Section 802 becomes effective; and (iii) participation in a merger, interest exchange, conversion, or domestication, 90 days after articles of merger, interest exchange, conversion, or domestication under [Article] 11 become effective. (e) A partner's knowledge or notice of a fact relating to the partnership is effective immediately as knowledge of or notice to the partnership, except in the case of a fraud on the partnership committed by or with the consent of that partner.</p>	<p>communication a written statement of the fact to such person or to a proper person at his place of business or residence.</p>	
<p>SECTION 104. GOVERNING LAW. The internal affairs of a partnership and the liability of a partner as a partner for a debt, obligation, or other liability of the partnership are governed by: (1) in the case of a limited liability partnership, the law of this state; and (2) in the case of a partnership that is not a</p>	<p>§ 59-34. Rules of construction. (a) The rule that statutes in derogation of the common law are to be strictly construed shall have no application to this Act. (b) The law of estoppel shall apply under this Act. (c) The law of agency shall apply under this Act. (d) This Article shall be so interpreted and construed</p>	

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>limited liability partnership, the law of the jurisdiction in which the partnership has its principal office.</p>	<p>as to effect its general purpose to make uniform the law of those states which enact it.</p> <p>(e) This Article and the other provisions of this Act shall not be construed so as to impair the obligations of any contract existing when the Article or any other provision of this Act, as applicable, goes into effect, nor to affect any action or proceedings begun or right accrued before this Article or any other provision of this Act, as applicable, takes effect.</p> <p>§ 59-35. Rules for cases not provided for in this Act</p> <p>In any case not provided for in this Act, the rules of law and equity, including the law merchant, shall govern.</p>	
<p>SECTION 105. PARTNERSHIP AGREEMENT; SCOPE, FUNCTION, AND LIMITATIONS.</p> <p>(a) Except as otherwise provided in subsections (c) and (d), the partnership agreement governs:</p> <p style="padding-left: 40px;">(1) relations among the partners as partners and between the partners and the partnership;</p> <p style="padding-left: 40px;">(2) the business of the partnership and the conduct of that business; and</p> <p style="padding-left: 40px;">(3) the means and conditions for amending the partnership agreement.</p> <p>(b) To the extent the partnership agreement does not provide for a matter described in subsection (a), this [act] governs the matter.</p> <p>(c) A partnership agreement may not:</p> <p style="padding-left: 40px;">(1) vary the law applicable under Section 104(1);</p> <p style="padding-left: 40px;">(2) vary the provisions of Section 110;</p> <p style="padding-left: 40px;">(3) vary the provisions of Section 307;</p> <p style="padding-left: 40px;">(4) unreasonably restrict the duties and rights under Section 408, but the partnership agreement may impose reasonable restrictions on the</p>	<p>§ 59-48. Rules determining rights and duties of partners</p> <p>The rights and duties of the partners in relation to the partnership shall be determined, subject to any agreement between them, by the following rules:</p> <p style="padding-left: 40px;">(1) Each partner shall be repaid his contributions, whether by way of capital or advances to the partnership property and share equally in the profits and surplus remaining after all liabilities, including those to partners, are satisfied; and must contribute towards the losses, whether of capital or otherwise, sustained by the partnership according to his share in the profits.</p> <p style="padding-left: 40px;">(2) The partnership must indemnify every partner in respect of payments made and personal liabilities reasonably incurred by him in the ordinary and proper conduct of its business, or for the preservation of its business or property.</p> <p style="padding-left: 40px;">(3) A partner, who in aid of the partnership makes any payment or advance beyond the amount of capital which he agreed to contribute, shall be paid interest from the date of the payment or advance.</p>	

RUPA vs. NC UP A Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>availability and use of information obtained under that section and may define appropriate remedies, including liquidated damages, for a breach of any reasonable restriction on use;</p> <p>(5) alter or eliminate the duty of loyalty or the duty of care, except as otherwise provided in subsection (d)</p> <p>(6) eliminate the contractual obligation of good faith and fair dealing under Section 409(d), but the partnership agreement may prescribe the standards, if not manifestly unreasonable, by which the performance of the obligation is to be measured;</p> <p>(7) unreasonably restrict the right of a person to maintain an action under Section 410(b);</p> <p>(8) relieve or exonerate a person from liability for conduct involving bad faith, willful or intentional misconduct, or knowing violation of law;</p> <p>(9) vary the power of a person to dissociate as a partner under Section 602(a), except to require that the notice under Section 601(1) to be in a record;</p> <p>(10) vary the grounds for expulsion specified in Section 601(5);</p> <p>(11) vary the causes of dissolution specified in Section 801(4) or (5);</p> <p>(12) vary the requirement to wind up the partnership's business as specified in Section 802(a), (b)(1), and (d);</p> <p>(13) vary the right of a partner under Section 901(f) to vote on or consent to a cancellation of a statement of qualification;</p> <p>(14) vary the right of a partner to approve a merger, interest exchange, conversion, or domestication under Section 1123(a)(2), 1133(a)(2), 1143(a)(2), or 1153(a)(2);</p> <p>(15) vary the required contents of a plan of merger under Section 1122(a), plan of interest exchange under Section 1132(a), plan of conversion under Section 1142(a), or plan of domestication under</p>	<p>(4) A partner shall receive interest on the capital contributed by him only from the date when repayment should be made.</p> <p>(5) All partners have equal rights in the management and conduct of the partnership business.</p> <p>(6) No partner is entitled to remuneration for acting in the partnership business, except that a surviving partner is entitled to reasonable compensation for his services in winding up the partnership affairs.</p> <p>(7) No person can become a member of a partnership without the consent of all the partners.</p> <p>(8) Any difference arising as to ordinary matters connected with the partnership business may be decided by a majority of the partners; but no act in contravention of any agreement between the partners may be done rightfully without the consent of all the partners.</p>	
--	---	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>Section 1152(a);</p> <p style="padding-left: 40px;">(16) vary any requirement, procedure, or other provision of this [act] pertaining to:</p> <p style="padding-left: 80px;">(A) registered agents; or</p> <p style="padding-left: 80px;">(B) the [Secretary of State],</p> <p>including provisions pertaining to records authorized or required to be delivered to the [Secretary of State] for filing under this [act]; or</p> <p style="padding-left: 40px;">(17) except as otherwise provided in Sections 106 and 107(b), restrict the rights under this [act] of a person other than a partner.</p> <p style="padding-left: 40px;">(d) Subject to subsection (c)(8), without limiting other terms that may be included in a partnership agreement, the following rules apply:</p> <p style="padding-left: 80px;">(1) The partnership agreement may:</p> <p style="padding-left: 120px;">(A) specify the method by which a specific act or transaction that would otherwise violate the duty of loyalty may be authorized or ratified by one or more disinterested and independent persons after full disclosure of all material facts; and</p> <p style="padding-left: 120px;">(B) alter the prohibition in Section 406(a)(2) so that the prohibition requires only that the partnership's total assets not be less than the sum of its total liabilities.</p> <p style="padding-left: 40px;">(2) To the extent the partnership agreement expressly relieves a partner of a responsibility that the partner would otherwise have under this [act] and imposes the responsibility on one or more other partners, the agreement also may eliminate or limit any fiduciary duty of the partner relieved of the responsibility which would have pertained to the responsibility.</p> <p style="padding-left: 40px;">(3) If not manifestly unreasonable, the partnership agreement may:</p> <p style="padding-left: 80px;">(A) alter or eliminate the aspects of the duty of loyalty stated in Section 409(b);</p> <p style="padding-left: 80px;">(B) identify specific types or categories of activities that do not violate the duty of loyalty;</p>		
---	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>(C) alter the duty of care, but may not authorize conduct involving bad faith, willful or intentional misconduct, or knowing violation of law; and</p> <p>(D) alter or eliminate any other fiduciary duty.</p> <p>(e) The court shall decide as a matter of law whether a term of a partnership agreement is manifestly unreasonable under subsection (c)(6) or (d)(3). The court:</p> <p>(1) shall make its determination as of the time the challenged term became part of the partnership agreement and by considering only circumstances existing at that time; and</p> <p>(2) may invalidate the term only if, in light of the purposes and business of the partnership, it is readily apparent that:</p> <p>(A) the objective of the term is unreasonable; or</p> <p>(B) the term is an unreasonable means to achieve the term's objective.</p>		
<p>SECTION 106. PARTNERSHIP AGREEMENT; EFFECT ON PARTNERSHIP AND PERSON BECOMING PARTNER; PREFORMATION AGREEMENT.</p> <p>(a) A partnership is bound by and may enforce the partnership agreement, whether or not the partnership has itself manifested assent to the agreement.</p> <p>(b) A person that becomes a partner is deemed to assent to the partnership agreement.</p> <p>(c) Two or more persons intending to become the initial partners of a partnership may make an agreement providing that upon the formation of the partnership the agreement will become the partnership agreement.</p>		
<p>SECTION 107. PARTNERSHIP AGREEMENT; EFFECT ON THIRD PARTIES AND RELATIONSHIP TO RECORDS EFFECTIVE ON BEHALF OF PARTNERSHIP.</p> <p>(a) A partnership agreement may specify that</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>its amendment requires the approval of a person that is not a party to the agreement or the satisfaction of a condition. An amendment is ineffective if its adoption does not include the required approval or satisfy the specified condition.</p> <p>(b) The obligations of a partnership and its partners to a person in the person's capacity as a transferee or person dissociated as a partner are governed by the partnership agreement. Subject only to a court order issued under Section 504(b)(2) to effectuate a charging order, an amendment to the partnership agreement made after a person becomes a transferee or is dissociated as a partner:</p> <p style="padding-left: 40px;">(1) is effective with regard to any debt, obligation, or other liability of the partnership or its partners to the person in the person's capacity as a transferee or person dissociated as a partner; and</p> <p style="padding-left: 40px;">(2) is not effective to the extent the amendment:</p> <p style="padding-left: 80px;">(A) imposes a new debt, obligation, or other liability on the transferee or person dissociated as a partner; or</p> <p style="padding-left: 80px;">(B) prejudices the rights under Section 701 of a person that dissociated as a partner before the amendment was made.</p> <p>(c) If a record delivered by a partnership to the [Secretary of State] for filing becomes effective and contains a provision that would be ineffective under Section 105(c) or (d)(3) if contained in the partnership agreement, the provision is ineffective in the record.</p> <p>(d) Subject to subsection (c), if a record delivered by a partnership to the [Secretary of State] for filing becomes effective and conflicts with a provision of the partnership agreement:</p> <p style="padding-left: 40px;">(1) the agreement prevails as to partners, persons dissociated as partners, and transferees; and</p> <p style="padding-left: 40px;">(2) the record prevails as to other persons to the extent they reasonably rely on the</p>		
--	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>record.</p> <p>SECTION 108. SIGNING OF RECORDS TO BE DELIVERED FOR FILING TO [SECRETARY OF STATE].</p> <p>(a) A record delivered to the [Secretary of State] for filing pursuant to this [act] must be signed as follows:</p> <p>(1) Except as otherwise provided in paragraphs (2) and (3), a record signed by a partnership must be signed by a person authorized by the partnership.</p> <p>(2) A record filed on behalf of a dissolved partnership that has no partner must be signed by the person winding up the partnership's business under Section 802(c) or a person appointed under Section 802(d) to wind up the business.</p> <p>(3) A statement of denial by a person under Section 304 must be signed by that person.</p> <p>(4) Any other record delivered on behalf of a person to the [Secretary of State] for filing must be signed by that person.</p> <p>(b) A record filed under this [act] may be signed by an agent. Whenever this [act] requires a particular individual to sign a record and the individual is deceased or incompetent, the record may be signed by a legal representative of the individual.</p> <p>(c) A person that signs a record as an agent or legal representative affirms as a fact that the person is authorized to sign the record.</p>	<p>§ 59-35.1. Filing of documents</p> <p>(a) A document required or permitted by this Act to be filed by the Secretary of State must be filed under Chapter 55D of the General Statutes.</p> <p>(b) A document submitted for filing by the Secretary of State on behalf of a general partnership must be executed by a general partner of the partnership.</p> <p>(c) The Secretary of State may adopt and furnish on request forms for:</p> <p>(1) An application for registration as a registered limited liability partnership;</p> <p>(2) Cancellation of registration as a registered limited liability partnership;</p> <p>(3) Application for registration as a foreign limited liability partnership; and</p> <p>(4) Cancellation of registration as a foreign limited liability partnership.</p> <p>If the Secretary of State so requires, use of these forms is mandatory.</p> <p>(d) The Secretary of State may adopt and furnish on request forms for other documents required or permitted to be filed by this Act, but their use is not mandatory.</p>	
<p>SECTION 109. LIABILITY FOR INACCURATE INFORMATION IN FILED RECORD.</p> <p>(a) If a record delivered to the [Secretary of State] for filing under this [act] and filed by the [Secretary of State] contains inaccurate information, a person that suffers loss by reliance on the information may recover damages for the loss from:</p> <p>(1) a person that signed the record, or caused another to sign it on the person's behalf, and knew the information to be inaccurate at the time the</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>record was signed; and (2) subject to subsection (b), a partner if:</p> <p style="padding-left: 40px;">(A) the record was delivered for filing on behalf of the partnership; and (B) the partner knew or had notice of the inaccuracy for a reasonably sufficient time before the information was relied upon so that, before the reliance, the partner reasonably could have:</p> <p style="padding-left: 80px;">(i) effected an amendment under Section 901(f); (ii) filed a petition under Section 112; or (iii) delivered to the [Secretary of State] for filing a statement of change under Section 909 or a statement of correction under Section 116.</p> <p>(b) To the extent the partnership agreement expressly relieves a partner of responsibility for maintaining the accuracy of information contained in records delivered on behalf of the partnership to the [Secretary of State] for filing under this [act] and imposes that responsibility on one or more other partners, the liability stated in subsection (a)(2) applies to those other partners and not to the partner that the partnership agreement relieves of the responsibility.</p> <p>(c) An individual who signs a record authorized or required to be filed under this [act] affirms under penalty of perjury that the information stated in the record is accurate.</p>		
<p>SECTION 110. APPLICATION TO EXISTING RELATIONSHIPS.</p> <p>(a) Before [all-inclusive date], this [act] governs only:</p> <p style="padding-left: 40px;">(1) a partnership formed on or after [the effective date of this [act]]; and (2) except as otherwise provided in subsection (c), a partnership formed before [the</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>effective date of this [act]] which elects, in the manner provided in its partnership agreement or by law for amending the partnership agreement, to be subject to this [act].</p> <p>(b) Except as otherwise provided in subsection (c), on and after [all-inclusive date] this [act] governs all partnerships.</p> <p>(c) With respect to a partnership that elects pursuant to subsection (a)(2) to be subject to this [act], after the election takes effect the provisions of this [act] relating to the liability of the partnership's partners to third parties apply:</p> <p style="padding-left: 40px;">(1) before [all-inclusive date], to:</p> <p style="padding-left: 80px;">(A) a third party that had not done business with the partnership in the year before the election took effect; and</p> <p style="padding-left: 80px;">(B) a third party that had done business with the partnership in the year before the election took effect only if the third party knows or has been notified of the election; and</p> <p style="padding-left: 40px;">(2) on and after [all-inclusive date], to all third parties, but those provisions remain inapplicable to any obligation incurred while those provisions were inapplicable under paragraph (1)(B).</p>		
<p>SECTION 111. DELIVERY OF RECORD.</p> <p>(a) Except as otherwise provided in this [act], permissible means of delivery of a record include delivery by hand, mail, conventional commercial practice, and electronic transmission.</p> <p>(b) Delivery to the [Secretary of State] is effective only when a record is received by the [Secretary of State].</p>		
<p>SECTION 112. SIGNING AND FILING PURSUANT TO JUDICIAL ORDER.</p> <p>(a) If a person required by this [act] to sign a record or deliver a record to the [Secretary of State] for filing under this [act] does not do so, any other person that is aggrieved may petition [the appropriate court] to</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>order:</p> <ul style="list-style-type: none"> (1) the person to sign the record; (2) the person to deliver the record to the [Secretary of State] for filing; or (3) the [Secretary of State] to file the record unsigned. <p>(b) If a petitioner under subsection (a) is not the partnership or foreign limited liability partnership to which the record pertains, the petitioner shall make the partnership or foreign partnership a party to the action.</p> <p>(c) A record filed under subsection (a)(3) is effective without being signed.</p>		
<p>SECTION 113. FILING REQUIREMENTS.</p> <p>(a) To be filed by the [Secretary of State] pursuant to this [act], a record must be received by the [Secretary of State], comply with this [act], and satisfy the following:</p> <ul style="list-style-type: none"> (1) The filing of the record must be required or permitted by this [act]. (2) The record must be physically delivered in written form unless and to the extent the [Secretary of State] permits electronic delivery of records. (3) The words in the record must be in English, and numbers must be in Arabic or Roman numerals, but the name of an entity need not be in English if written in English letters or Arabic or Roman numerals. (4) The record must be signed by a person authorized or required under this [act] to sign the record. (5) The record must state the name and capacity, if any, of each individual who signed it, either on behalf of the individual or the person authorized or required to sign the record, but need not contain a seal, attestation, acknowledgment, or verification. <p>(b) If law other than this [act] prohibits the</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>disclosure by the [Secretary of State] of information contained in a record delivered to the [Secretary of State] for filing, the [Secretary of State] shall file the record if the record otherwise complies with this [act] but may redact the information.</p> <p>(c) When a record is delivered to the [Secretary of State] for filing, any fee required under this [act] and any fee, tax, interest, or penalty required to be paid under this [act] or law other than this [act] must be paid in a manner permitted by the [Secretary of State] or by that law.</p> <p>(d) The [Secretary of State] may require that a record delivered in written form be accompanied by an identical or conformed copy.</p> <p>(e) The [Secretary of State] may provide forms for filings required or permitted to be made by this [act], but, except as otherwise provided in subsection (f), their use is not required.</p> <p>(f) The [Secretary of State] may require that a cover sheet for a filing be on a form prescribed by the [Secretary of State].</p>		
<p>SECTION 114. EFFECTIVE DATE AND TIME. Except as otherwise provided in Section 115 and subject to Section 116(c), a record filed under this [act] is effective:</p> <p>(1) on the date and at the time of its filing by the [Secretary of State], as provided in Section 117(b);</p> <p>(2) on the date of filing and at the time specified in the record as its effective time, if later than the time under paragraph (1);</p> <p>(3) at a specified delayed effective date and time, which may not be more than 90 days after the date of filing; or</p> <p>(4) if a delayed effective date is specified, but no time is specified, at 12:01 a.m. on the date specified, which may not be more than 90 days after the date of filing.</p>		
<p>SECTION 115. WITHDRAWAL OF FILED</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>RECORD BEFORE EFFECTIVENESS.</p> <p>(a) Except as otherwise provided in Sections 1124, 1134, 1144, and 1154, a record delivered to the [Secretary of State] for filing may be withdrawn before it takes effect by delivering to the [Secretary of State] for filing a statement of withdrawal.</p> <p>(b) A statement of withdrawal must:</p> <p style="padding-left: 40px;">(1) be signed by each person that signed the record being withdrawn, except as otherwise agreed by those persons;</p> <p style="padding-left: 40px;">(2) identify the record to be withdrawn; and</p> <p style="padding-left: 40px;">(3) if signed by fewer than all the persons that signed the record being withdrawn, state that the record is withdrawn in accordance with the agreement of all the persons that signed the record.</p> <p>(c) On filing by the [Secretary of State] of a statement of withdrawal, the action or transaction evidenced by the original record does not take effect.</p>		
<p>SECTION 116. CORRECTING FILED RECORD.</p> <p>(a) A person on whose behalf a filed record was delivered to the [Secretary of State] for filing may correct the record if:</p> <p style="padding-left: 40px;">(1) the record at the time of filing was inaccurate;</p> <p style="padding-left: 40px;">(2) the record was defectively signed;</p> <p>or</p> <p style="padding-left: 40px;">(3) the electronic transmission of the record to the [Secretary of State] was defective.</p> <p>(b) To correct a filed record, a person on whose behalf the record was delivered to the [Secretary of State] must deliver to the [Secretary of State] for filing a statement of correction.</p> <p>(c) A statement of correction:</p> <p style="padding-left: 40px;">(1) may not state a delayed effective date;</p> <p style="padding-left: 40px;">(2) must be signed by the person correcting the filed record;</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>(3) must identify the filed record to be corrected;</p> <p>(4) must specify the inaccuracy or defect to be corrected; and</p> <p>(5) must correct the inaccuracy or defect.</p> <p>(d) A statement of correction is effective as of the effective date of the filed record that it corrects except for purposes of Section 103(d) and as to persons relying on the uncorrected filed record and adversely affected by the correction. For those purposes and as to those persons, the statement of correction is effective when filed.</p>		
<p>SECTION 117. DUTY OF [SECRETARY OF STATE] TO FILE; REVIEW OF REFUSAL TO FILE; DELIVERY OF RECORD BY [SECRETARY OF STATE].</p> <p>(a) The [Secretary of State] shall file a record delivered to the [Secretary of State] for filing which satisfies this [act]. The duty of the [Secretary of State] under this section is ministerial.</p> <p>(b) When the [Secretary of State] files a record, the [Secretary of State] shall record it as filed on the date and at the time of its delivery. After filing a record, the [Secretary of State] shall deliver to the person that submitted the record a copy of the record with an acknowledgment of the date and time of filing and, in the case of a statement of denial, also to the partnership to which the statement pertains.</p> <p>(c) If the [Secretary of State] refuses to file a record, the [Secretary of State] shall, not later than [15] business days after the record is delivered:</p> <p style="padding-left: 40px;">(1) return the record or notify the person that submitted the record of the refusal; and</p> <p style="padding-left: 40px;">(2) provide a brief explanation in a record of the reason for the refusal.</p> <p>(d) If the [Secretary of State] refuses to file a record, the person that submitted the record may petition [the appropriate court] to compel filing of the</p>		

RUPA vs. NC UP A Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>record. The record and the explanation of the [Secretary of State] of the refusal to file must be attached to the petition. The court may decide the matter in a summary proceeding.</p> <p>(e) The filing of or refusal to file a record does not:</p> <p style="padding-left: 40px;">(1) affect the validity or invalidity of the record in whole or in part; or</p> <p style="padding-left: 40px;">(2) create a presumption that the information contained in the record is correct or incorrect.</p> <p>(f) Except as otherwise provided by Section 909 or by law other than this [act], the [Secretary of State] may deliver any record to a person by delivering it:</p> <p style="padding-left: 40px;">(1) in person to the person that submitted it;</p> <p style="padding-left: 40px;">(2) to the address of the person's registered agent;</p> <p style="padding-left: 40px;">(3) to the principal office of the person; or</p> <p style="padding-left: 40px;">(4) to another address the person provides to the [Secretary of State] for delivery.</p>		
<p>SECTION 118. RESERVATION OF POWER TO AMEND OR REPEAL. The [legislature of this state] has power to amend or repeal all or part of this [act] at any time, and all limited liability partnerships and foreign limited liability partnerships subject to this [act] are governed by the amendment or repeal.</p>		
<p>SECTION 119. SUPPLEMENTAL PRINCIPLES OF LAW. Unless displaced by particular provisions of this [act], the principles of law and equity supplement this [act].</p>		
<p>SECTION 201. PARTNERSHIP AS ENTITY.</p> <p>(a) A partnership is an entity distinct from its partners.</p> <p>(b) A partnership is the same entity regardless of whether the partnership has a statement of qualification in effect under Section 901.</p>		

RUPA vs. NC UP A Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>SECTION 202. FORMATION OF PARTNERSHIP.</p> <p>(a) Except as otherwise provided in subsection (b), 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.</p> <p>(b) An association formed under a statute other than this [act], a predecessor statute, or a comparable statute of another jurisdiction is not a partnership under this [act].</p> <p>(c) In determining whether a partnership is formed, the following rules apply:</p> <p>(1) 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.</p> <p>(2) 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.</p> <p>(3) 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:</p> <p>(A) of a debt by installments or otherwise;</p> <p>(B) for services as an independent contractor or of wages or other compensation to an employee;</p> <p>(C) of rent;</p> <p>(D) of an annuity or other retirement or health benefit to a deceased or retired partner or a beneficiary, representative, or designee of a deceased or retired partner;</p> <p>(E) 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</p>	<p>§ 59-36. Partnership defined</p> <p>(a) A partnership is an association of two or more persons to carry on as co-owners a business for profit.</p> <p>(b) But any association formed under any other statute of this State, or any statute adopted by authority, other than the authority of this State, is not a partnership under this Article, unless such association would have been a partnership in this State prior to the adoption of this Article; but this Article shall apply to limited partnerships except insofar as the statutes relating to such partnerships are inconsistent herewith.</p> <p>§ 59-37. Rules for determining the existence of a partnership</p> <p>In determining whether a partnership exists, these rules shall apply:</p> <p>(1) Except as provided by G.S. 59-46 persons who are not partners as to each other are not partners as to third persons.</p> <p>(2) Joint tenancy, tenancy in common, tenancy by the entireties, joint property, common property, or part ownership does not of itself establish a partnership, whether such co-owners do or do not share any profits made by the use of the property.</p> <p>(3) The sharing of gross returns does not of itself establish a partnership, whether or not the persons sharing them have a joint or common right or interest in any property from which the returns are derived.</p> <p>(4) The receipt by a person of a share of the profits of a business is prima facie evidence that he is a partner in the business, but no such inference shall be drawn if such profits were received in payment:</p> <p>a. As a debt by installments or otherwise,</p> <p>b. As wages of an employee or rent to a landlord,</p> <p>c. As an annuity to a widow or representative of a deceased partner,</p> <p>d. As interest on a loan, though the amount of</p>	
--	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

to income, proceeds, or increase in value derived from the collateral; or (F) for the sale of the goodwill of a business or other property by installments or otherwise.	payment vary with the profits of the business, e. As the consideration for the sale of a goodwill of a business or other property by installments or otherwise.	
SECTION 203. PARTNERSHIP PROPERTY. Property acquired by a partnership is property of the partnership and not of the partners individually.		
SECTION 204. WHEN PROPERTY IS PARTNERSHIP PROPERTY. (a) Property is partnership property if acquired in the name of: (1) the partnership; or (2) 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. (b) Property is acquired in the name of the partnership by a transfer to: (1) the partnership in its name; or (2) 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. (c) 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. (d) 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.	§ 59-38. Partnership property (a) All property originally brought into the partnership stock or subsequently acquired by purchase or otherwise, on account of the partnership, is partnership property. (b) Unless the contrary intention appears, property acquired with partnership funds is partnership property. (c) Any estate in real property may be acquired in the partnership name. Title so acquired can be conveyed only in the partnership name. (d) A conveyance to a partnership in the partnership name, though without words of inheritance, passes the entire estate of the grantor unless a contrary intent appears.	

RUPA vs. NC UP A Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>SECTION 301. PARTNER AGENT OF PARTNERSHIP. Subject to the effect of a statement of partnership authority under Section 303, the following rules apply:</p> <p>(1) Each partner is an agent of the partnership for the purpose of its business. An act of a partner, including the signing 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 did not have authority to act for the partnership in the particular matter and the person with which the partner was dealing knew or had notice that the partner lacked authority.</p> <p>(2) An act of a partner which is not apparently for carrying on in the ordinary course the partnership's business or business of the kind carried on by the partnership binds the partnership only if the act was actually authorized by all the other partners.</p>	<p>§ 59-39. Partner agent of partnership as to partnership business</p> <p>(a) Every partner is an agent of the partnership for the purpose of its business, and the act of every partner, including the execution in the partnership name of any instrument, for apparently carrying on in the usual way the business of the partnership of which he is a member binds the partnership, unless the partner so acting has in fact no authority to act for the partnership in the particular matter, and the person with whom he is dealing has knowledge of the fact that he has no such authority.</p> <p>(b) An act of a partner which is not apparently for the carrying on of the business of the partnership in the usual way does not bind the partnership unless authorized by the other partners.</p> <p>(c) Unless authorized by the other partners or unless they have abandoned the business, one or more but less than all the partners have no authority to:</p> <ol style="list-style-type: none"> (1) Assign the partnership property in trust for creditors, or on the assignee's promise to pay the debts of the partnership, (2) Dispose of the goodwill of the business, (3) Do any other act which would make it impossible to carry on the ordinary business of a partnership, (4) Confess a judgment, (5) Submit a partnership claim or liability to arbitration or reference. <p>(d) No act of a partner in contravention of a restriction on authority shall bind the partnership to persons having knowledge of the restriction.</p>	
<p>SECTION 302. TRANSFER OF PARTNERSHIP PROPERTY.</p> <p>(a) Partnership property may be transferred as follows:</p> <p>(1) Subject to the effect of a</p>	<p>§ 59-40. Conveyance of real property of the partnership</p> <p>(a) Where title to real property is in the partnership name, any partner may convey title to such property</p>	

RUPA vs. NC UPA Comparaison Chart (October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>statement of partnership authority under Section 303, partnership property held in the name of the partnership may be transferred by an instrument of transfer signed by a partner in the partnership name.</p> <p>(2) 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 signed by the persons in whose name the property is held.</p> <p>(3) 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 signed by the persons in whose name the property is held.</p> <p>(b) A partnership may recover partnership property from a transferee only if it proves that signing of the instrument of initial transfer did not bind the partnership under Section 301 and:</p> <p>(1) as to a subsequent transferee who gave value for property transferred under subsection (a)(1) and (2), proves that the subsequent transferee knew or had been notified that the person who signed the instrument of initial transfer lacked authority to bind the partnership; or</p> <p>(2) as to a transferee who gave value for property transferred under subsection (a)(3), proves that the transferee knew or had been notified that the property was partnership property and that the person who signed the instrument of initial transfer lacked authority to bind the partnership.</p> <p>(c) 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 (b), from any earlier</p>	<p>by a conveyance executed in the partnership name; but the partnership may recover such property unless the partner's act binds the partnership under the provisions of subsection (a) of G.S. 59-39, or unless such property has been conveyed by the grantee or a person claiming through such grantee to holder for value without knowledge that the partner, in making the conveyance, has exceeded his authority.</p> <p>(b) Where title to real property is in the name of the partnership, a conveyance executed by a partner, in his own name, passes the equitable interest of the partnership, provided the act is one within the authority of the partner under the provisions of subsection (a) of G.S. 59-39.</p> <p>(c) Where title to real property is in the name of one or more, but not all the partners, and the record does not disclose the right of the partnership, the partners in whose name the title stands may convey title to such property, but the partnership may recover such property if the partners' act does not bind the partnership under the provisions of subsection (a) of G.S. 59-39, unless the purchaser or his assignee, is a holder for value, without knowledge.</p> <p>(d) Where the title to real property is in the name of one or more or all the partners, or in a third person in trust for the partnership, a conveyance executed by a partner in the partnership name, or in his own name, passes the equitable interest of the partnership, provided the act is one within the authority of the partner under the provisions of subsection (a) of G.S. 59-39.</p> <p>(e) Where the title to real property is in the names of all the partners a conveyance executed by all the partners passes all their rights in such property.</p>	
--	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>transferee of the property.</p> <p>(d) If a person holds all the partners' interests in the partnership, all the partnership property vests in that person. The person may sign a record in the name of the partnership to evidence vesting of the property in that person and may file or record the record.</p>		
<p>SECTION 303. STATEMENT OF PARTNERSHIP AUTHORITY.</p> <p>(a) A partnership may deliver to the [Secretary of State] for filing a statement of partnership authority. The statement:</p> <p>(1) must include the name of the partnership and:</p> <p>(A) if the partnership is not a limited liability partnership, the street and mailing addresses of its principal office; or</p> <p>(B) if the partnership is a limited liability partnership, the name and street and mailing addresses of its registered agent;</p> <p>(2) with respect to any position that exists in or with respect to the partnership, may state the authority, or limitations on the authority, of all persons holding the position to:</p> <p>(A) sign an instrument transferring real property held in the name of the partnership; or</p> <p>(B) enter into other transactions on behalf of, or otherwise act for or bind, the partnership; and</p> <p>(3) may state the authority, or limitations on the authority, of a specific person to:</p> <p>(A) sign an instrument transferring real property held in the name of the partnership; or</p> <p>(B) enter into other transactions on behalf of, or otherwise act for or bind, the partnership.</p> <p>(b) To amend or cancel a statement of</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>authority filed by the [Secretary of State], a partnership must deliver to the [Secretary of State] for filing an amendment or cancellation stating:</p> <ul style="list-style-type: none"> (1) the name of the partnership; (2) if the partnership is not a limited liability partnership, the street and mailing addresses of the partnership's principal office; (3) if the partnership is a limited liability partnership, the name and street and mailing addresses of its registered agent; (4) the date the statement being affected became effective; and (5) the contents of the amendment or a declaration that the statement is canceled. <p>(c) A statement of authority affects only the power of a person to bind a partnership to persons that are not partners.</p> <p>(d) Subject to subsection (c) and Section 103(d)(1), and except as otherwise provided in subsections (f), (g), and (h), a limitation on the authority of a person or a position contained in an effective statement of authority is not by itself evidence of any person's knowledge or notice of the limitation.</p> <p>(e) Subject to subsection (c), a grant of authority not pertaining to transfers of real property and contained in an effective statement of authority is conclusive in favor of a person that gives value in reliance on the grant, except to the extent that if the person gives value:</p> <ul style="list-style-type: none"> (1) the person has knowledge to the contrary; (2) the statement has been canceled or restrictively amended under subsection (b); or (3) a limitation on the grant is contained in another statement of authority that became effective after the statement containing the grant became effective. <p>(f) Subject to subsection (c), an effective statement of authority that grants authority to transfer</p>		
--	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>real property held in the name of the partnership, a certified copy of which statement is recorded in the office for recording transfers of the real property, is conclusive in favor of a person that gives value in reliance on the grant without knowledge to the contrary, except to the extent that when the person gives value:</p> <p style="padding-left: 40px;">(1) the statement has been canceled or restrictively amended under subsection (b), and a certified copy of the cancellation or restrictive amendment has been recorded in the office for recording transfers of the real property; or</p> <p style="padding-left: 40px;">(2) a limitation on the grant is contained in another statement of authority that became effective after the statement containing the grant became effective, and a certified copy of the later-effective statement is recorded in the office for recording transfers of the real property.</p> <p>(g) Subject to subsection (c), if a certified copy of an effective statement containing a limitation on the authority to transfer real property held in the name of a partnership is recorded in the office for recording transfers of that real property, all persons are deemed to know of the limitation.</p> <p>(h) Subject to subsection (i), an effective statement of dissolution is a cancellation of any filed statement of authority for the purposes of subsection (f) and is a limitation on authority for purposes of subsection (g).</p> <p>(i) After a statement of dissolution becomes effective, a partnership may deliver to the [Secretary of State] for filing and, if appropriate, may record a statement of authority that is designated as a post-dissolution statement of authority. The statement operates as provided in subsections (f) and (g).</p> <p>(j) Unless canceled earlier, an effective statement of authority is canceled by operation of law five years after the date on which the statement, or its most recent amendment, becomes effective. The</p>		
--	--	--

RUPA vs. NC UP A Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>cancellation is effective without recording under subsection (f) or (g).</p> <p>(k) An effective statement of denial operates as a restrictive amendment under this section and may be recorded by certified copy for purposes of subsection (f)(1).</p>		
<p>SECTION 304. STATEMENT OF DENIAL. A person named in a filed statement of authority granting that person authority may deliver to the [Secretary of State] for filing a statement of denial that:</p> <p>(1) provides the name of the partnership and the caption of the statement of authority to which the statement of denial pertains; and</p> <p>(2) denies the grant of authority.</p>		
<p>SECTION 305. PARTNERSHIP LIABLE FOR PARTNER'S ACTIONABLE CONDUCT.</p> <p>(a) 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 the actual or apparent authority of the partnership.</p> <p>(b) If, in the course of the partnership's business or while acting with actual or apparent 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.</p>		
<p>SECTION 306. PARTNER'S LIABILITY.</p> <p>(a) Except as otherwise provided in subsections (b) and (c), all partners are liable jointly and severally for all debts, obligations, and other liabilities of the partnership unless otherwise agreed by the claimant or provided by law.</p> <p>(b) A person that becomes a partner is not personally liable for a debt, obligation, or other liability of the partnership incurred before the person became a</p>	<p>§ 59-45. Nature of partner's liability in ordinary partnerships and in registered limited liability partnerships</p> <p>(a) Except as provided by subsections (a1) and (b) of this section, all partners are jointly and severally liable for the acts and obligations of the partnership.</p>	

RUPA vs. NC UPA Comparaison Chart (October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>partner.</p> <p>(c) A debt, obligation, or other liability of a partnership incurred while the partnership is a limited liability partnership is solely the debt, obligation, or other liability of the limited liability partnership. A partner is not personally liable, directly or indirectly, by way of contribution or otherwise, for a debt, obligation, or other liability of the limited liability partnership solely by reason of being or acting as a partner. This subsection applies:</p> <p>(1) despite anything inconsistent in the partnership agreement that existed immediately before the vote or consent required to become a limited liability partnership under Section 901(b); and</p> <p>(2) regardless of the dissolution of the limited liability partnership.</p> <p>(d) The failure of a limited liability partnership to observe formalities relating to the exercise of its powers or management of its business is not a ground for imposing liability on a partner for a debt, obligation, or other liability of the partnership.</p> <p>(e) The cancellation or administrative revocation of a limited liability partnership's statement of qualification does not affect the limitation in this section on the liability of a partner for a debt, obligation, or other liability of the partnership incurred while the statement was in effect.</p>	<p>(b)</p> <p>(a1) Except as provided in subsection (b) of this section, a partner in a registered limited liability partnership is not individually liable, directly or indirectly, including by indemnification, contribution, assessment, or otherwise, for debts and obligations of the partnership incurred while it is a registered limited liability partnership solely by reason of being a partner and does not become liable by participating, in whatever capacity, in the management or control of the business of the partnership.</p> <p>(b) Nothing in this Chapter alters the law in this State applicable to the professional relationship and liabilities between the individual furnishing the professional services and the person receiving the professional services, the standards of professional conduct applicable to the rendering of the services, or any responsibilities, obligations, or sanctions imposed under applicable licensing statutes. A partner in a registered limited liability partnership is not individually liable, directly or indirectly, including by indemnification, contribution, assessment, or otherwise, for the debts, obligations, and liabilities of, or chargeable to, the registered limited liability partnership that arise from errors, omissions, negligence, malpractice, incompetence, or malfeasance committed by another partner or by an employee, agent, or other representative of the partnership; however, nothing in this Chapter affects the liability of a partner of a professional registered limited liability partnership for his or her own errors, omissions, negligence, malpractice, incompetence, or malfeasance committed in the rendering of professional services.</p> <p>(c) Repealed by S.L. 1999-362, § 5, eff. Oct. 1, 1999.</p> <p>(d) A partner in a registered limited liability partnership is not a proper party to proceedings by or against a limited liability partnership, except where the object of the proceeding is to enforce a partner's right against or liability to the limited liability partnership.</p>	
--	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

	<p>(e) The liability of partners of a registered limited liability partnership formed and existing under this Chapter is determined exclusively by this Chapter and the laws of this State.</p> <p>(f) If a conflict arises between the laws of this State and the laws of any other jurisdiction with regard to the liability of a partner of a registered limited liability partnership formed and existing under this Chapter for the debts, obligations, and liabilities of the registered limited liability partnership, this Chapter and the laws of this State govern in determining the liability.</p>	
<p>SECTION 307. ACTIONS BY AND AGAINST PARTNERSHIP AND PARTNERS.</p> <p>(a) A partnership may sue and be sued in the name of the partnership.</p> <p>(b) To the extent not inconsistent with Section 306, a partner may be joined in an action against the partnership or named in a separate action.</p> <p>(c) A judgment against a partnership is not by itself a judgment against a partner. A judgment against a partnership may not be satisfied from a partner's assets unless there is also a judgment against the partner.</p> <p>(d) 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 the partner is personally liable for the claim under Section 306 and:</p> <p style="padding-left: 40px;">(1) 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;</p> <p style="padding-left: 40px;">(2) the partnership is a debtor in bankruptcy;</p> <p style="padding-left: 40px;">(3) the partner has agreed that the creditor need not exhaust partnership assets;</p> <p style="padding-left: 40px;">(4) a court grants permission to the</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>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</p> <p>(5) liability is imposed on the partner by law or contract independent of the existence of the partnership.</p> <p>(e) This section applies to any debt, liability, or other obligation of a partnership which results from a representation by a partner or purported partner under Section 308.</p>		
<p>SECTION 308. LIABILITY OF PURPORTED PARTNER.</p> <p>(a) 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. 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 partnership liability results, the purported partner is liable with respect to that liability as if the purported partner were a partner. If no partnership liability results, the purported partner is liable with respect to that liability jointly and severally with any other person consenting to the representation.</p> <p>(b) 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</p>	<p>§ 59-41. Partnership bound by admission of partner An admission or representation made by any partner concerning partnership affairs within the scope of his authority as conferred by this Act is evidence against the partnership.</p> <p>§ 59-42. Partnership charged with knowledge of or notice to partner Notice to any partner of any matter relating to partnership affairs, and the knowledge of the partner acting in the particular matter, acquired while a partner or then present to his mind, and the knowledge of any other partner who reasonably could and should have communicated it to the acting partner, operate as notice to or knowledge of the partnership, except in the case of a fraud on the partnership committed by or with the consent of that partner.</p> <p>§ 59-46. Partner by estoppel (a) When a person, by words spoken or written, by conduct, or by contract, represents himself, or consents to another representing him to anyone, as a partner in an existing partnership or with one or more persons not actual partners, he is liable to any such person to whom</p>	

RUPA vs. NC UP A Comparaison Chart (October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>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 the partners of the existing partnership consent to the representation, a partnership act or obligation results. If fewer than all 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.</p> <p>(c) A person is not liable as a partner merely because the person is named by another as a partner in a statement of partnership authority.</p> <p>(d) A person does not continue to be liable as a partner merely because of a failure to file a statement of dissociation or to amend a statement of partnership authority to indicate the person's dissociation as a partner.</p> <p>(e) Except as otherwise provided in subsections (a) and (b), persons who are not partners as to each other are not liable as partners to other persons.</p>	<p>such representation has been made, who has, on the faith of such representation, given credit to the actual or apparent partnership, and if he has made such representation or consented to its being made in a public manner, he is liable to such person, whether the representation has or has not been made or communicated to such person so giving credit by or with the knowledge of the apparent partner making the representation or consenting to its being made.</p> <p>(1) When a partnership liability results, he is liable as though he were an actual member of the partnership.</p> <p>(2) When no partnership liability results, he is liable jointly with the other persons, if any, so consenting to the contract or representation as to incur liability, otherwise separately.</p> <p>(b) When a person has been thus represented to be a partner in an existing partnership, or with one or more persons not actual partners, he is an agent of the persons consenting to such representation to bind them to the same extent and in the same manner as though he were a partner in fact, with respect to persons who rely upon the representation. Where all the members of the existing partnership consent to the representation, a partnership act or obligation results; but in all other cases it is the joint act or obligation of the person acting and the persons consenting to the representation.</p> <p>§ 59-47. Liability of incoming partner</p> <p>A person admitted as a partner into an existing partnership is liable for all the obligations of the partnership arising before his admission as though he had been a partner when such obligations were incurred, except that this liability shall be satisfied only out of partnership property.</p>	
--	--	--

RUPA vs. NC UP A Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>SECTION 401. PARTNER'S RIGHTS AND DUTIES.</p> <p>(a) Each partner is entitled to an equal share of the partnership distributions and, except in the case of a limited liability partnership, is chargeable with a share of the partnership losses in proportion to the partner's share of the distributions.</p> <p>(b) A partnership shall reimburse a partner for any payment made by the partner in the course of the partner's activities on behalf of the partnership, if the partner complied with this section and Section 409 in making the payment.</p> <p>(c) A partnership shall indemnify and hold harmless a person with respect to any claim or demand against the person and any debt, obligation, or other liability incurred by the person by reason of the person's former or present capacity as a partner, if the claim, demand, debt, obligation, or other liability does not arise from the person's breach of this section or Section 407 or 409.</p> <p>(d) In the ordinary course of its business, a partnership may advance reasonable expenses, including attorney's fees and costs, incurred by a person in connection with a claim or demand against the person by reason of the person's former or present capacity as a partner, if the person promises to repay the partnership if the person ultimately is determined not to be entitled to be indemnified under subsection (c).</p> <p>(e) A partnership may purchase and maintain insurance on behalf of a partner against liability asserted against or incurred by the partner in that capacity or arising from that status even if, under Section 105(c)(7), the partnership agreement could not eliminate or limit the person's liability to the partnership for the conduct giving rise to the liability.</p> <p>(f) A partnership shall reimburse a partner for an advance to the partnership beyond the amount of capital the partner agreed to contribute.</p>	<p>§ 59-48. Rules determining rights and duties of partners</p> <p>The rights and duties of the partners in relation to the partnership shall be determined, subject to any agreement between them, by the following rules:</p> <p>(1) Each partner shall be repaid his contributions, whether by way of capital or advances to the partnership property and share equally in the profits and surplus remaining after all liabilities, including those to partners, are satisfied; and must contribute towards the losses, whether of capital or otherwise, sustained by the partnership according to his share in the profits.</p> <p>(2) The partnership must indemnify every partner in respect of payments made and personal liabilities reasonably incurred by him in the ordinary and proper conduct of its business, or for the preservation of its business or property.</p> <p>(3) A partner, who in aid of the partnership makes any payment or advance beyond the amount of capital which he agreed to contribute, shall be paid interest from the date of the payment or advance.</p> <p>(4) A partner shall receive interest on the capital contributed by him only from the date when repayment should be made.</p> <p>(5) All partners have equal rights in the management and conduct of the partnership business.</p> <p>(6) No partner is entitled to remuneration for acting in the partnership business, except that a surviving partner is entitled to reasonable compensation for his services in winding up the partnership affairs.</p> <p>(7) No person can become a member of a partnership without the consent of all the partners.</p> <p>(8) Any difference arising as to ordinary matters connected with the partnership business may be decided by a majority of the partners; but no act in contravention of any agreement between the partners may be done rightfully without the consent of all the partners.</p>	
---	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>(g) A payment or advance made by a partner which gives rise to a partnership obligation under subsection (b) or (f) constitutes a loan to the partnership which accrues interest from the date of the payment or advance.</p> <p>(h) Each partner has equal rights in the management and conduct of the partnership's business.</p> <p>(i) A partner may use or possess partnership property only on behalf of the partnership.</p> <p>(j) 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.</p> <p>(k) 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 affirmative vote or consent of all the partners.</p>	<p>§ 59-44. Partnership bound by partner's breach of trust</p> <p>The partnership is bound to make good the loss:</p> <p>(1) Where one partner acting within the scope of his apparent authority receives money or property of a third person and misapplies it; and</p> <p>(2) Where the partnership in the course of its business receives money or property of a third person and the money or property so received is misapplied by any partner while it is in the custody of the partnership.</p>	
<p>SECTION 402. BECOMING PARTNER.</p> <p>(a) Upon formation of a partnership, a person becomes a partner under Section 202(a).</p> <p>(b) After formation of a partnership, a person becomes a partner:</p> <p>(1) as provided in the partnership agreement;</p> <p>(2) as a result of a transaction effective under [Article] 11; or</p> <p>(3) with the affirmative vote or consent of all the partners.</p> <p>(c) A person may become a partner without:</p> <p>(1) acquiring a transferable interest; or</p> <p>(2) making or being obligated to make a contribution to the partnership.</p>		
<p>SECTION 403. FORM OF CONTRIBUTION. A contribution may consist of property transferred to, services performed for, or another benefit provided to</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

the partnership or an agreement to transfer property to, perform services for, or provide another benefit to the partnership.		
<p>SECTION 404. LIABILITY FOR CONTRIBUTION.</p> <p>(a) A person's obligation to make a contribution to a partnership is not excused by the person's death, disability, termination, or other inability to perform personally.</p> <p>(b) If a person does not fulfill an obligation to make a contribution other than money, the person is obligated at the option of the partnership to contribute money equal to the value of the part of the contribution which has not been made.</p> <p>(c) The obligation of a person to make a contribution may be compromised only by the affirmative vote or consent of all the partners. If a creditor of a limited liability partnership extends credit or otherwise acts in reliance on an obligation described in subsection (a) without knowledge or notice of a compromise under this subsection, the creditor may enforce the obligation.</p>		
<p>SECTION 405. SHARING OF AND RIGHT TO DISTRIBUTIONS BEFORE DISSOLUTION.</p> <p>(a) Any distribution made by a partnership before its dissolution and winding up must be in equal shares among partners, except to the extent necessary to comply with a transfer effective under Section 503 or charging order in effect under Section 504.</p> <p>(b) Subject to Section 701, a person has a right to a distribution before the dissolution and winding up of a partnership only if the partnership decides to make an interim distribution.</p> <p>(c) A person does not have a right to demand or receive a distribution from a partnership in any form other than money. Except as otherwise provided in Section 806, a partnership may distribute an asset in kind only if each part of the asset is fungible with each other part and each person receives a percentage of the</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>asset equal in value to the person's share of distributions.</p> <p>(d) If a partner or transferee becomes entitled to receive a distribution, the partner or transferee has the status of, and is entitled to all remedies available to, a creditor of the partnership with respect to the distribution. However, the partnership's obligation to make a distribution is subject to offset for any amount owed to the partnership by the partner or a person dissociated as partner on whose account the distribution is made.</p>		
<p>SECTION 406. LIMITATIONS ON DISTRIBUTIONS BY LIMITED LIABILITY PARTNERSHIP.</p> <p>(a) A limited liability partnership may not make a distribution, including a distribution under Section 806, if after the distribution:</p> <p style="padding-left: 40px;">(1) the partnership would not be able to pay its debts as they become due in the ordinary course of the partnership's business; or</p> <p style="padding-left: 40px;">(2) the partnership's total assets would be less than the sum of its total liabilities plus the amount that would be needed, if the partnership were to be dissolved and wound up at the time of the distribution, to satisfy the preferential rights upon dissolution and winding up of partners and transferees whose preferential rights are superior to the rights of persons receiving the distribution.</p> <p>(b) A limited liability partnership may base a determination that a distribution is not prohibited under subsection (a) on:</p> <p style="padding-left: 40px;">(1) financial statements prepared on the basis of accounting practices and principles that are reasonable in the circumstances; or</p> <p style="padding-left: 40px;">(2) a fair valuation or other method that is reasonable under the circumstances.</p> <p>(c) Except as otherwise provided in subsection (e), the effect of a distribution under subsection (a) is measured:</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>(1) in the case of a distribution as defined in Section 102(4)(A), as of the earlier of:</p> <p style="padding-left: 40px;">(A) the date money or other property is transferred or debt is incurred by the limited liability partnership; or</p> <p style="padding-left: 40px;">(B) the date the person entitled to the distribution ceases to own the interest or rights being acquired by the partnership in return for the distribution;</p> <p>(2) in the case of any other distribution of indebtedness, as of the date the indebtedness is distributed; and</p> <p>(3) in all other cases, as of the date:</p> <p style="padding-left: 40px;">(A) the distribution is authorized, if the payment occurs not later than 120 days after that date; or</p> <p style="padding-left: 40px;">(B) the payment is made, if the payment occurs more than 120 days after the distribution is authorized.</p> <p>(d) A limited liability partnership's indebtedness to a partner or transferee incurred by reason of a distribution made in accordance with this section is at parity with the partnership's indebtedness to its general, unsecured creditors, except to the extent subordinated by agreement.</p> <p>(e) A limited liability partnership's indebtedness, including indebtedness issued as a distribution, is not a liability for purposes of subsection (a) if the terms of the indebtedness provide that payment of principal and interest is made only if and to the extent that a payment of a distribution could then be made under this section. If the indebtedness is issued as a distribution, each payment of principal or interest is treated as a distribution, the effect of which is measured on the date the payment is made.</p> <p>(f) In measuring the effect of a distribution under Section 806, the liabilities of a dissolved limited liability partnership do not include any claim that has been disposed of under Section 807, 808, or 809.</p>		
--	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>SECTION 407. LIABILITY FOR IMPROPER DISTRIBUTIONS BY LIMITED LIABILITY PARTNERSHIP.</p> <p>(a) Except as otherwise provided in subsection (b), if a partner of a limited liability partnership consents to a distribution made in violation of Section 406 and in consenting to the distribution fails to comply with Section 409, the partner is personally liable to the partnership for the amount of the distribution which exceeds the amount that could have been distributed without the violation of Section 406.</p> <p>(b) To the extent the partnership agreement of a limited liability partnership expressly relieves a partner of the authority and responsibility to consent to distributions and imposes that authority and responsibility on one or more other partners, the liability stated in subsection (a) applies to the other partners and not to the partner that the partnership agreement relieves of the authority and responsibility.</p> <p>(c) A person that receives a distribution knowing that the distribution violated Section 406 is personally liable to the limited liability partnership but only to the extent that the distribution received by the person exceeded the amount that could have been properly paid under Section 406.</p> <p>(d) A person against which an action is commenced because the person is liable under subsection (a) may:</p> <p style="padding-left: 40px;">(1) implead any other person that is liable under subsection (a) and seek to enforce a right of contribution from the person; and</p> <p style="padding-left: 40px;">(2) implead any person that received a distribution in violation of subsection (c) and seek to enforce a right of contribution from the person in the amount the person received in violation of subsection (c).</p> <p>(e) An action under this section is barred unless commenced not later than two years after the</p>		
---	--	--

RUPA vs. NC UP A Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>distribution.</p> <p>SECTION 408. RIGHTS TO INFORMATION OF PARTNERS AND PERSONS DISSOCIATED AS PARTNER.</p> <p>(a) A partnership shall keep its books and records, if any, at its principal office.</p> <p>(b) On reasonable notice, a partner may inspect and copy during regular business hours, at a reasonable location specified by the partnership, any record maintained by the partnership regarding the partnership's business, financial condition, and other circumstances, to the extent the information is material to the partner's rights and duties under the partnership agreement or this [act].</p> <p>(c) The partnership shall furnish to each partner:</p> <p style="padding-left: 40px;">(1) without demand, any information concerning the partnership's business, financial condition, and other circumstances which the partnership knows and is material to the proper exercise of the partner's rights and duties under the partnership agreement or this [act], except to the extent the partnership can establish that it reasonably believes the partner already knows the information; and</p> <p style="padding-left: 40px;">(2) on demand, any other information concerning the partnership's business, financial condition, and other circumstances, except to the extent the demand or the information demanded is unreasonable or otherwise improper under the circumstances.</p> <p>(d) The duty to furnish information under subsection (c) also applies to each partner to the extent the partner knows any of the information described in subsection (c).</p> <p>(e) Subject to subsection (j), on 10 days' demand made in a record received by a partnership, a person dissociated as a partner may have access to information to which the person was entitled while a</p>	<p>§ 59-49. Partnership books</p> <p>The partnership books shall be kept, subject to any agreement between the partners, at the principal place of business of the partnership, and every partner shall at all times have access to and may inspect and copy any of them.</p> <p>§ 59-50. Duty of partners to render information</p> <p>Partners shall render on demand true and full information of all things affecting the partnership to any partner or the legal representative of any deceased partner or partner under legal disability.</p>	
---	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>partner if:</p> <ul style="list-style-type: none"> (1) the information pertains to the period during which the person was a partner; (2) the person seeks the information in good faith; and (3) the person satisfies the requirements imposed on a partner by subsection (b). <p>(f) Not later than 10 days after receiving a demand under subsection (e), the partnership in a record shall inform the person that made the demand of:</p> <ul style="list-style-type: none"> (1) the information that the partnership will provide in response to the demand and when and where the partnership will provide the information; and (2) the partnership's reasons for declining, if the partnership declines to provide any demanded information. <p>(g) A partnership may charge a person that makes a demand under this section the reasonable costs of copying, limited to the costs of labor and material.</p> <p>(h) A partner or person dissociated as a partner may exercise the rights under this section through an agent or, in the case of an individual under legal disability, a legal representative. Any restriction or condition imposed by the partnership agreement or under subsection (j) applies both to the agent or legal representative and to the partner or person dissociated as a partner.</p> <p>(i) Subject to Section 505, the rights under this section do not extend to a person as transferee.</p> <p>(j) In addition to any restriction or condition stated in its partnership agreement, a partnership, as a matter within the ordinary course of its business, may impose reasonable restrictions and conditions on access to and use of information to be furnished under this section, including designating information confidential and imposing nondisclosure and safeguarding</p>		
---	--	--

RUPA vs. NC UP A Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>obligations on the recipient. In a dispute concerning the reasonableness of a restriction under this subsection, the partnership has the burden of proving reasonableness.</p>		
<p>SECTION 409. STANDARDS OF CONDUCT FOR PARTNERS.</p> <p>(a) A partner owes to the partnership and the other partners the duties of loyalty and care stated in subsections (b) and (c).</p> <p>(b) The fiduciary duty of loyalty of a partner includes the duties:</p> <p style="padding-left: 40px;">(1) to account to the partnership and hold as trustee for it any property, profit, or benefit derived by the partner:</p> <p style="padding-left: 80px;">(A) in the conduct or winding up of the partnership's business;</p> <p style="padding-left: 80px;">(B) from a use by the partner of the partnership's property; or</p> <p style="padding-left: 80px;">(C) from the appropriation of a partnership opportunity;</p> <p style="padding-left: 40px;">(2) to refrain from dealing with the partnership in the conduct or winding up of the partnership business as or on behalf of a person having an interest adverse to the partnership; and</p> <p style="padding-left: 40px;">(3) to refrain from competing with the partnership in the conduct of the partnership's business before the dissolution of the partnership.</p> <p>(c) The duty of care of a partner in the conduct or winding up of the partnership business is to refrain from engaging in grossly negligent or reckless conduct, willful or intentional misconduct, or a knowing violation of law.</p> <p>(d) A partner shall discharge the duties and obligations under this [act] or under the partnership agreement and exercise any rights consistently with the contractual obligation of good faith and fair dealing.</p> <p>(e) A partner does not violate a duty or obligation under this [act] or under the partnership</p>	<p>§ 59-51. Partner accountable as a fiduciary</p> <p>(a) Every partner must account to the partnership for any benefit, and hold as trustee for it any profits derived by him without the consent of the other partners from any transaction connected with the formation, conduct or liquidation of the partnership or from any use by him of its property.</p> <p>(b) This section applies also to the representatives of a deceased partner engaged in the liquidation of the affairs of the partnership as the personal representatives of the last surviving partner.</p>	

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>agreement solely because the partner's conduct furthers the partner's own interest.</p> <p>(f) All the partners may authorize or ratify, after full disclosure of all material facts, a specific act or transaction by a partner that otherwise would violate the duty of loyalty.</p> <p>(g) It is a defense to a claim under subsection (b)(2) and any comparable claim in equity or at common law that the transaction was fair to the partnership.</p> <p>(h) If, as permitted by subsection (f) or the partnership agreement, a partner enters into a transaction with the partnership which otherwise would be prohibited by subsection (b)(2), the partner's rights and obligations arising from the transaction are the same as those of a person that is not a partner.</p>		
<p>SECTION 410. ACTIONS BY PARTNERSHIP AND PARTNERS.</p> <p>(a) 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.</p> <p>(b) A partner may maintain an action against the partnership or another partner, with or without an accounting as to partnership business, to enforce the partner's rights and protect the partner's interests, including rights and interests under the partnership agreement or this [act] or arising independently of the partnership relationship.</p> <p>(c) A right to an accounting on dissolution and winding up does not revive a claim barred by law.</p>	<p>§ 59-52. Right to an account</p> <p>Any partner shall have the right to a formal account as to partnership affairs:</p> <p>(1) If he is wrongfully excluded from the partnership business or possession of its property by his copartners,</p> <p>(2) If the right exists under the terms of any agreement,</p> <p>(3) As provided by G.S. 59-51,</p> <p>(4) Whenever other circumstances render it just and reasonable.</p>	
<p>SECTION 411. CONTINUATION OF PARTNERSHIP BEYOND DEFINITE TERM OR PARTICULAR UNDERTAKING.</p> <p>(a) 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</p>	<p>§ 59-53. Continuation of partnership beyond fixed term</p> <p>(a) When a partnership for a fixed term or particular undertaking is continued after the termination of such term or particular undertaking without any express agreement, the rights and duties of the partners remain the same as they were at such termination, so far as is consistent with a partnership at will.</p>	

RUPA vs. NC UP A Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>expiration or completion, so far as is consistent with a partnership at will.</p> <p>(b) 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.</p>	<p>(b) A continuation of the business by the partners or such of them as habitually acted therein during the term, without any settlement or liquidation of the partnership affairs, is prima facie evidence of a continuation of the partnership.</p>	
<p>SECTION 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.</p>		
<p>SECTION 502. NATURE OF TRANSFERABLE INTEREST. A transferable interest is personal property.</p>	<p>§ 59-54. Extent of property rights of a partner The property rights of a partner are:</p> <ul style="list-style-type: none"> (1) His right in specific partnership property, (2) His interest in the partnership, and (3) His right to participate in the management. <p>§ 59-56. Nature of partner's interest in the partnership A partner's interest in the partnership is his share of the profits and surplus, and the same is personal property.</p>	
<p>SECTION 503. TRANSFER OF TRANSFERABLE INTEREST.</p> <p>(a) A transfer, in whole or in part, of a transferable interest:</p> <ul style="list-style-type: none"> (1) is permissible; (2) does not by itself cause a person's dissociation as a partner or a dissolution and winding up of the partnership business; and (3) subject to Section 505, does not entitle the transferee to: <ul style="list-style-type: none"> (A) participate in the management or conduct of the partnership's business; 	<p>§ 59-57. Assignment of partner's interest</p> <p>(a) A conveyance by a partner of his interest in the partnership does not of itself dissolve the partnership, nor, as against the other partners in the absence of agreement, entitle the assignee, during the continuance of the partnership, to interfere in the management or administration of the partnership business or affairs, or to require any information or account of partnership transactions, or to inspect the partnership books; but it merely entitles the assignee to receive in accordance with his contract the profits to which the assigning</p>	

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>or</p> <p>(B) except as otherwise provided in subsection (c), have access to records or other information concerning the partnership's business.</p> <p>(b) A transferee has the right to:</p> <p style="padding-left: 40px;">(1) receive, in accordance with the transfer, distributions to which the transferor would otherwise be entitled; and</p> <p style="padding-left: 40px;">(2) seek under Section 801(5) a judicial determination that it is equitable to wind up the partnership business.</p> <p>(c) In a dissolution and winding up of a partnership, a transferee is entitled to an account of the partnership's transactions only from the date of dissolution.</p> <p>(d) A partnership need not give effect to a transferee's rights under this section until the partnership knows or has notice of the transfer.</p> <p>(e) A transfer of a transferable interest in violation of a restriction on transfer contained in the partnership agreement is ineffective if the intended transferee has knowledge or notice of the restriction at the time of transfer.</p> <p>(f) Except as otherwise provided in Section 601(4)(B), if a partner transfers a transferable interest, the transferor retains the rights of a partner other than the transferable interest transferred and retains all the duties and obligations of a partner.</p> <p>(g) If a partner transfers a transferable interest to a person that becomes a partner with respect to the transferred interest, the transferee is liable for the partner's obligations under Sections 404 and 407 known to the transferee when the transferee becomes a partner.</p>	<p>partner would otherwise be entitled.</p> <p>(b) In case of a dissolution of the partnership, the assignee is entitled to receive his assignor's interest and may require an account from the date only of the last account agreed to by all the partners.</p>	
<p>SECTION 504. CHARGING ORDER.</p> <p>(a) On application by a judgment creditor of a partner or transferee, a court may enter a charging</p>	<p>§ 59-58. Partner's interest subject to charging order</p> <p>(a) On due application to a competent court by any judgment creditor of a partner, the court which entered</p>	

RUPA vs. NC UP A Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>order against the transferable interest of the judgment debtor for the unsatisfied amount of the judgment. A charging order constitutes a lien on a judgment debtor's transferable interest and requires the partnership to pay over to the person to which the charging order was issued any distribution that otherwise would be paid to the judgment debtor.</p> <p>(b) To the extent necessary to effectuate the collection of distributions pursuant to a charging order in effect under subsection (a), the court may:</p> <p>(1) appoint a receiver of the distributions subject to the charging order, with the power to make all inquiries the judgment debtor might have made; and</p> <p>(2) make all other orders necessary to give effect to the charging order.</p> <p>(c) Upon a showing that distributions under a charging order will not pay the judgment debt within a reasonable time, the court may foreclose the lien and order the sale of the transferable interest. The purchaser at the foreclosure sale obtains only the transferable interest, does not thereby become a partner, and is subject to Section 503.</p> <p>(d) At any time before foreclosure under subsection (c), the partner or transferee whose transferable interest is subject to a charging order under subsection (a) may extinguish the charging order by satisfying the judgment and filing a certified copy of the satisfaction with the court that issued the charging order.</p> <p>(e) At any time before foreclosure under subsection (c), a partnership or one or more partners whose transferable interests are not subject to the charging order may pay to the judgment creditor the full amount due under the judgment and thereby succeed to the rights of the judgment creditor, including the charging order.</p> <p>(f) This [act] does not deprive any partner or transferee of the benefit of any exemption law</p>	<p>the judgment, order or decree, or any other court, may charge the interest of the debtor partner with payment of the unsatisfied amount of such judgment debt with interest thereon; and may then or later appoint a receiver of his share of the profits, and of any other money due or to fall due to him in respect of the partnership, and make all other orders, directions, accounts and inquiries which the debtor partner might have made, or which the circumstances of the case may require.</p> <p>(b) The interest charged may be redeemed at any time before foreclosure, or in case of a sale being directed by the court may be purchased without thereby causing a dissolution:</p> <p>(1) With separate property, by any one or more of the partners, or</p> <p>(2) With partnership property, by any one or more of the partners with the consent of all the partners whose interests are not so charged or sold.</p> <p>(c) Nothing in this Act shall be held to deprive a partner of his right, if any, under the exemption laws, as regards his interest in the partnership.</p>	
---	--	--

RUPA vs. NC UP A Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>applicable to the transferable interest of the partner or transferee.</p> <p>(g) This section provides the exclusive remedy by which a person seeking in the capacity of a judgment creditor to enforce a judgment against a partner or transferee may satisfy the judgment from the judgment debtor's transferable interest.</p>		
<p>SECTION 505. POWER OF LEGAL REPRESENTATIVE OF DECEASED PARTNER. If a partner dies, the deceased partner's legal representative may exercise:</p> <p>(1) the rights of a transferee provided in Section 503(c); and</p> <p>(2) for purposes of settling the estate, the rights the deceased partner had under Section 408.</p>	<p>§ 59-72. Rights of retiring partner or estate of deceased partner when the business is continued</p> <p>When any partner retires or dies, and the business is continued under any of the conditions set forth in G.S. 59-71, subsections (a), (b), (c), (e), (f), or G.S. 59-68, subdivision (b)(2), without any settlement of accounts as between him or his estate and the person or partnership continuing the business, unless otherwise agreed, he or his legal representative as against such persons or partnership may have the value of his interest at the date of dissolution ascertained, and shall receive as an ordinary creditor an amount equal to the value of his interest in the dissolved partnership with interest, or, at his option or at the option of his legal representative, in lieu of interest, the profits attributable to the use of his right in the property of the dissolved partnership; provided that the creditors of the dissolved partnership as against the separate creditors, or the representative of the retired or deceased partner, shall have priority on any claim arising under this section, as provided by G.S. 59-71, subsection (h).</p>	
<p>SECTION 601. EVENTS CAUSING DISSOCIATION. A person is dissociated as a partner when:</p> <p>(1) the partnership knows or has notice of the person's express will to withdraw as a partner, but, if the person has specified a withdrawal date later than the date the partnership knew or had notice, on that later date;</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>(2) an event stated in the partnership agreement as causing the person's dissociation occurs;</p> <p>(3) the person is expelled as a partner pursuant to the partnership agreement;</p> <p>(4) the person is expelled as a partner by the affirmative vote or consent of all the other partners if:</p> <p style="padding-left: 40px;">(A) it is unlawful to carry on the partnership business with the person as a partner;</p> <p style="padding-left: 40px;">(B) there has been a transfer of all of the person's transferable interest in the partnership, other than:</p> <p style="padding-left: 80px;">(i) a transfer for security purposes; or</p> <p style="padding-left: 80px;">(ii) a charging order in effect under Section 504 which has not been foreclosed;</p> <p style="padding-left: 40px;">(C) the person is an entity and:</p> <p style="padding-left: 80px;">(i) the partnership notifies the person that it will be expelled as a partner because the person has filed a statement of dissolution or the equivalent, the person has been administratively dissolved, the person's charter or the equivalent has been revoked, or the person's right to conduct business has been suspended by the person's jurisdiction of formation; and</p> <p style="padding-left: 80px;">(ii) not later than 90 days after the notification, the statement of dissolution or the equivalent has not been withdrawn, rescinded, or revoked, or the person's charter or the equivalent or right to conduct business has not been reinstated; or</p> <p style="padding-left: 40px;">(D) the person is an unincorporated entity that has been dissolved and whose activities and affairs are being wound up;</p> <p>(5) on application by the partnership or another partner, the person is expelled as a partner by judicial order because the person:</p> <p style="padding-left: 40px;">(A) has engaged or is engaging in wrongful conduct that has affected adversely and materially, or will affect adversely and materially, the partnership's business;</p>		
---	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>(B) has committed willfully or persistently, or is committing willfully or persistently, a material breach of the partnership agreement or a duty or obligation under Section 409; or</p> <p>(C) has engaged or is engaging in conduct relating to the partnership's business which makes it not reasonably practicable to carry on the business with the person as a partner;</p> <p>(6) the person:</p> <p>(A) becomes a debtor in bankruptcy;</p> <p>(B) signs an assignment for the benefit of creditors; or</p> <p>(C) seeks, consents to, or acquiesces in the appointment of a trustee, receiver, or liquidator of the person or of all or substantially all the person's property;</p> <p>(7) in the case of an individual:</p> <p>(A) the individual dies;</p> <p>(B) a guardian or general conservator for the individual is appointed; or</p> <p>(C) a court orders that the individual has otherwise become incapable of performing the individual's duties as a partner under this [act] or the partnership agreement;</p> <p>(8) in the case of a person that is a testamentary or inter vivos trust or is acting as a partner by virtue of being a trustee of such a trust, the trust's entire transferable interest in the partnership is distributed;</p> <p>(9) in the case of a person that is an estate or is acting as a partner by virtue of being a personal representative of an estate, the estate's entire transferable interest in the partnership is distributed;</p> <p>(10) in the case of a person that is not an individual, the existence of the person terminates;</p> <p>(11) the partnership participates in a merger under [Article] 11 and:</p> <p>(A) the partnership is not the surviving entity; or</p>		
---	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>(B) otherwise as a result of the merger, the person ceases to be a partner;</p> <p>(12) the partnership participates in an interest exchange under [Article] 11 and, as a result of the interest exchange, the person ceases to be a partner;</p> <p>(13) the partnership participates in a conversion under [Article] 11;</p> <p>(14) the partnership participates in a domestication under [Article] 11 and, as a result of the domestication, the person ceases to be a partner; or</p> <p>(15) the partnership dissolves and completes winding up.</p>		
<p>SECTION 602. POWER TO DISSOCIATE AS PARTNER; WRONGFUL DISSOCIATION.</p> <p>(a) A person has the power to dissociate as a partner at any time, rightfully or wrongfully, by withdrawing as a partner by express will under Section 601(1).</p> <p>(b) A person's dissociation as a partner is wrongful only if the dissociation:</p> <p style="padding-left: 40px;">(1) is in breach of an express provision of the partnership agreement; or</p> <p style="padding-left: 40px;">(2) in the case of a partnership for a definite term or particular undertaking, occurs before the expiration of the term or the completion of the undertaking and:</p> <p style="padding-left: 80px;">(A) the person withdraws as a partner by express will, unless the withdrawal follows not later than 90 days after another person's dissociation by death or otherwise under Section 601(6) through (10) or wrongful dissociation under this subsection;</p> <p style="padding-left: 80px;">(B) the person is expelled as a partner by judicial order under Section 601(5);</p> <p style="padding-left: 80px;">(C) the person is dissociated under Section 601(6); or</p> <p style="padding-left: 80px;">(D) in the case of a person that is not a trust other than a business trust, an estate,</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>or an individual, the person is expelled or otherwise dissociated because it willfully dissolved or terminated.</p> <p>(c) A person that wrongfully dissociates as a partner is liable to the partnership and to the other partners for damages caused by the dissociation. The liability is in addition to any debt, obligation, or other liability of the partner to the partnership or the other partners.</p>		
<p>SECTION 603. EFFECT OF DISSOCIATION.</p> <p>(a) If a person's dissociation results in a dissolution and winding up of the partnership business, [Article] 8 applies; otherwise, [Article] 7 applies.</p> <p>(b) If a person is dissociated as a partner:</p> <p style="padding-left: 20px;">(1) the person's right to participate in the management and conduct of the partnership's business terminates, except as otherwise provided in Section 802(c); and</p> <p style="padding-left: 20px;">(2) the person's duties and obligations under Section 409 end with regard to matters arising and events occurring after the person's dissociation, except to the extent the partner participates in winding up the partnership's business pursuant to Section 802.</p> <p>(c) A person's dissociation does not of itself discharge the person from any debt, obligation, or other liability to the partnership or the other partners which the person incurred while a partner.</p>		
<p>SECTION 701. PURCHASE OF INTEREST OF PERSON DISSOCIATED AS PARTNER.</p> <p>(a) If a person is dissociated as a partner without the dissociation resulting in a dissolution and winding up of the partnership business under Section 801, the partnership shall cause the person's interest in the partnership to be purchased for a buyout price determined pursuant to subsection (b).</p> <p>(b) The buyout price of the interest of a person dissociated as a partner is the amount that would have been distributable to the person under Section 806(b) if, on the date of dissociation, the assets of the</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>partnership were sold and the partnership were wound up, with the sale price equal to the greater of:</p> <ul style="list-style-type: none"> (1) the liquidation value; or (2) the value based on a sale of the entire business as a going concern without the person . <p>(c) Interest accrues on the buyout price from the date of dissociation to the date of payment, but damages for wrongful dissociation under Section 602(b), and all other amounts owing, whether or not presently due, from the person dissociated as a partner to the partnership, must be offset against the buyout price.</p> <p>(d) A partnership shall defend, indemnify, and hold harmless a person dissociated as a partner whose interest is being purchased against all partnership liabilities, whether incurred before or after the dissociation, except liabilities incurred by an act of the person under Section 702.</p> <p>(e) If no agreement for the purchase of the interest of a person dissociated as a partner is reached not later than 120 days after a written demand for payment, the partnership shall pay, or cause to be paid, in money to the person the amount the partnership estimates to be the buyout price and accrued interest, reduced by any offsets and accrued interest under subsection (c).</p> <p>(f) If a deferred payment is authorized under subsection (h), 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 (c), stating the time of payment, the amount and type of security for payment, and the other terms and conditions of the obligation.</p> <p>(g) The payment or tender required by subsection (e) or (f) must be accompanied by the following:</p> <ul style="list-style-type: none"> (1) a statement of partnership assets and 		
---	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>liabilities as of the date of dissociation;</p> <p>(2) the latest available partnership balance sheet and income statement, if any;</p> <p>(3) an explanation of how the estimated amount of the payment was calculated; and</p> <p>(4) written notice that the payment is in full satisfaction of the obligation to purchase unless, not later than 120 days after the written notice, the person dissociated as a partner commences an action to determine the buyout price, any offsets under subsection (c), or other terms of the obligation to purchase.</p> <p>(h) A person that wrongfully dissociates as a partner before the expiration of a definite term or the completion of a particular undertaking is not entitled to payment of any part of the buyout price until the expiration of the term or completion of the undertaking, unless the person establishes to the satisfaction of the court that earlier payment will not cause undue hardship to the business of the partnership. A deferred payment must be adequately secured and bear interest.</p> <p>(i) A person dissociated as a partner may maintain an action against the partnership, pursuant to Section 410(b)(2), to determine the buyout price of that person's interest, any offsets under subsection (c), or other terms of the obligation to purchase. The action must be commenced not later than 120 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 person's interest, any offset due under subsection (c), and accrued interest, and enter judgment for any additional payment or refund. If deferred payment is authorized under subsection (h), the court shall also determine the security for payment and other terms of the obligation to purchase. The court may assess reasonable attorney's fees and the fees and expenses of appraisers</p>		
---	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

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 (g).		
<p>SECTION 702. POWER TO BIND AND LIABILITY OF PERSON DISSOCIATED AS PARTNER.</p> <p>(a) After a person is dissociated as a partner without the dissociation resulting in a dissolution and winding up of the partnership business and before the partnership is merged out of existence, converted, or domesticated under [Article] 11, or dissolved, the partnership is bound by an act of the person only if:</p> <p style="padding-left: 40px;">(1) the act would have bound the partnership under Section 301 before dissociation; and</p> <p style="padding-left: 40px;">(2) at the time the other party enters into the transaction:</p> <p style="padding-left: 80px;">(A) less than two years has passed since the dissociation; and</p> <p style="padding-left: 80px;">(B) the other party does not know or have notice of the dissociation and reasonably believes that the person is a partner.</p> <p>(b) If a partnership is bound under subsection (a), the person dissociated as a partner which caused the partnership to be bound is liable:</p> <p style="padding-left: 40px;">(1) to the partnership for any damage caused to the partnership arising from the obligation incurred under subsection (a); and</p> <p style="padding-left: 40px;">(2) if a partner or another person dissociated as a partner is liable for the obligation, to the partner or other person for any damage caused to the partner or other person arising from the liability.</p>		
<p>SECTION 703. LIABILITY OF PERSON DISSOCIATED AS PARTNER TO OTHER PERSONS.</p> <p>(a) Except as otherwise provided in subsection (b), a person dissociated as a partner is not liable for a partnership obligation incurred after dissociation.</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>(b) A person that is dissociated as a partner is liable on a transaction entered into by the partnership after the dissociation only if:</p> <p style="padding-left: 40px;">(1) a partner would be liable on the transaction; and</p> <p style="padding-left: 40px;">(2) at the time the other party enters into the transaction:</p> <p style="padding-left: 80px;">(A) less than two years has passed since the dissociation; and</p> <p style="padding-left: 80px;">(B) the other party does not have knowledge or notice of the dissociation and reasonably believes that the person is a partner.</p> <p>(c) By agreement with a creditor of a partnership and the partnership, a person dissociated as a partner may be released from liability for a debt, obligation, or other liability of the partnership.</p> <p>(d) A person dissociated as a partner is released from liability for a debt, obligation, or other liability of the partnership if the partnership's creditor, with knowledge or notice of the person's dissociation but without the person's consent, agrees to a material alteration in the nature or time of payment of the debt, obligation, or other liability.</p>		
<p>SECTION 704. STATEMENT OF DISSOCIATION.</p> <p>(a) A person dissociated as a 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 person has dissociated from the partnership.</p> <p>(b) A statement of dissociation is a limitation on the authority of a person dissociated as a partner for the purposes of Section 303.</p>		
<p>SECTION 705. CONTINUED USE OF PARTNERSHIP NAME. Continued use of a partnership name, or the name of a person dissociated as a partner as part of the partnership name, by partners continuing the business does not of itself make the person dissociated as a partner liable for an obligation of the</p>		

RUPA vs. NC UP A Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>partners or the partnership continuing the business.</p> <p>SECTION 801. EVENTS CAUSING DISSOLUTION.</p> <p>A partnership is dissolved, and its business must be wound up, upon the occurrence of any of the following:</p> <p>(1) in a partnership at will, the partnership knows or has notice of a person's express will to withdraw as a partner, other than a partner that has dissociated under Section 601(2) through (10), but, if the person has specified a withdrawal date later than the date the partnership knew or had notice, on the later date;</p> <p>(2) in a partnership for a definite term or particular undertaking:</p> <p>(A) within 90 days after a person's dissociation by death or otherwise under Section 601(6) through (10) or wrongful dissociation under Section 602(b), the affirmative vote or consent of at least half of the remaining partners to wind up the partnership business, for which purpose a person's rightful dissociation pursuant to Section 602(b)(2)(A) constitutes that partner's consent to wind up the partnership business;</p> <p>(B) the affirmative vote or consent of all the partners to wind up the partnership business; or</p> <p>(C) the expiration of the term or the completion of the undertaking;</p> <p>(3) an event or circumstance that the partnership agreement states causes dissolution;</p> <p>(4) on application by a partner, the entry by [the appropriate court] of an order dissolving the partnership on the grounds that:</p> <p>(A) the conduct of all or substantially all the partnership's business is unlawful;</p> <p>(B) the economic purpose of the partnership is likely to be unreasonably frustrated;</p> <p>(C) another partner has engaged in conduct relating to the partnership business which</p>	<p>§ 59-59. Dissolution defined</p> <p>The dissolution of a partnership is the change in the relation of the partners caused by any partner ceasing to be associated in the carrying on as distinguished from the winding up of the business.</p> <p>§ 59-60. Partnership not terminated by dissolution</p> <p>On dissolution the partnership is not terminated, but continues until the winding up of partnership affairs is completed.</p> <p>§ 59-61. Causes of dissolution</p> <p>Dissolution is caused:</p> <p>(1) Without violation of the agreement between the partners,</p> <p>a. By the termination of the definite term or particular undertaking specified in the agreement,</p> <p>b. By the express will of any partner when no definite term or particular undertaking is specified,</p> <p>c. By the express will of all partners who have not assigned their interests or suffered them to be charged for their separate debts, either before or after the termination of any specific term or particular undertaking,</p> <p>d. By the expulsion of any partner from the business bona fide in accordance with such a power conferred by the agreement between the partners;</p> <p>(2) In contravention of the agreement between the partners, where the circumstances do not permit a dissolution under any other provision of this section, by the express will of any partner</p>	
--	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>makes it not reasonably practicable to carry on the business in partnership with that partner; or</p> <p>(D) it is otherwise not reasonably practicable to carry on the partnership business in conformity with the partnership agreement;</p> <p>(5) on application by a transferee, the entry by [the appropriate court] of an order dissolving the partnership on the ground that it is equitable to wind up the partnership business:</p> <p>(A) 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</p> <p>(B) 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; or</p> <p>(6) the passage of 90 consecutive days during which the partnership does not have at least two partners.</p>	<p>at any time;</p> <p>(3) By any event which makes it unlawful for the business of the partnership to be carried on or for the members to carry it on in partnership;</p> <p>(4) By the death of any partner, unless the partnership agreement provides otherwise;</p> <p>(5) By the bankruptcy of any partner or the partnership;</p> <p>(6) By decree of court under G.S. 59-62.</p> <p>§ 59-62. Dissolution by decree of court</p> <p>(a) On application by or for a partner the court shall decree a dissolution whenever:</p> <p>(1) A partner has been adjudicated incompetent or is shown to be of unsound mind,</p> <p>(2) A partner becomes in any other way incapable of performing his part of the partnership contract,</p> <p>(3) A partner has been guilty of such conduct as tends to affect prejudicially the carrying on of the business,</p> <p>(4) A partner wilfully or persistently commits a breach of the partnership agreement, or otherwise so conducts himself in matters relating to the partnership business that it is not reasonably practicable to carry on the business in partnership with him,</p> <p>(5) The business of the partnership can only be carried on at a loss,</p> <p>(6) Other circumstances render a dissolution</p>	
--	---	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

	<p>equitable.</p> <p>(b) On the application of the purchaser of a partner's interest under G.S. 59-57 and 59-58:</p> <p>(1) After the termination of the specified term or particular undertaking,</p> <p>(2) At any time if the partnership was a partnership at will when the interest was assigned or when the charging order was issued.</p> <p>(c) The name of a registered limited liability partnership becomes available for use by another entity as provided in G.S. 55D-21.</p>	
<p>SECTION 802. WINDING UP.</p> <p>(a) A dissolved partnership shall wind up its business and, except as otherwise provided in Section 803, the partnership continues after dissolution only for the purpose of winding up.</p> <p>(b) In winding up its business, the partnership:</p> <p>(1) shall discharge the partnership's debts, obligations, and other liabilities, settle and close the partnership's business, and marshal and distribute the assets of the partnership; and</p> <p>(2) may:</p> <p>(A) deliver to the [Secretary of State] for filing a statement of dissolution stating the name of the partnership and that the partnership is dissolved;</p> <p>(B) preserve the partnership business and property as a going concern for a reasonable time;</p> <p>(C) prosecute and defend actions and proceedings, whether civil, criminal, or administrative;</p> <p>(D) transfer the partnership's property;</p> <p>(E) settle disputes by</p>	<p>§ 59-67. Right to wind up</p> <p>Unless otherwise agreed the partners who have not wrongfully dissolved the partnership or the legal representative of the last surviving partner, not bankrupt, has the right to wind up the partnership affairs; provided, however, that any partner, his legal representative or his assignee, upon cause shown, may obtain winding up by the court.</p> <p>§ 59-68. Rights of partners to application of partnership property</p> <p>(a) When dissolution is caused in any way, except in contravention of the partnership agreement, each partner, as against his copartners and all persons claiming through them in respect of their interest in the partnership, unless otherwise agreed, may have the partnership property applied to discharge its liabilities, and the surplus applied to pay in cash the net amount owing to the respective partners. But if dissolution is caused by expulsion of a partner, bona fide under the partnership agreement, and if the expelled partner is discharged from all partnership liabilities, either by payment or agreement under G.S. 59-66, subsection (b), he shall receive in cash only the net amount due him</p>	

RUPA vs. NC UP A Comparaison Chart (October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>mediation or arbitration;</p> <p>(F) deliver to the [Secretary of State] for filing a statement of termination stating the name of the partnership and that the partnership is terminated; and</p> <p>(G) perform other acts necessary or appropriate to the winding up.</p> <p>(c) A person whose dissociation as a partner resulted in dissolution may participate in winding up as if still a partner, unless the dissociation was wrongful.</p> <p>(d) If a dissolved partnership does not have a partner and no person has the right to participate in winding up under subsection (c), the personal or legal representative of the last person to have been a partner may wind up the partnership's business. If the representative does not exercise that right, a person to wind up the partnership's business may be appointed by the affirmative vote or consent of transferees owning a majority of the rights to receive distributions at the time the consent is to be effective. A person appointed under this subsection has the powers of a partner under Section 804 but is not liable for the debts, obligations, and other liabilities of the partnership solely by reason of having or exercising those powers or otherwise acting to wind up the partnership's business.</p> <p>(e) On the application of any partner or person entitled under subsection (c) to participate in winding up, the [appropriate court] may order judicial supervision of the winding up of a dissolved partnership, including the appointment of a person to wind up the partnership's business, if:</p> <p>(1) the partnership does not have a partner and within a reasonable time following the dissolution no person has been appointed under subsection (d); or</p> <p>(2) the applicant establishes other good cause.</p>	<p>from the partnership.</p> <p>(b) When dissolution is caused in contravention of the partnership agreement the rights of the partners shall be as follows:</p> <p>(1) Each partner who has not caused dissolution wrongfully shall have:</p> <p>a. All the rights specified in subsection (a) of this section, and</p> <p>b. The right, as against each partner who has caused the dissolution wrongfully, to damages for breach of the agreement.</p> <p>(2) The partners who have not caused the dissolution wrongfully, if they all desire to continue the business in the same name, either by themselves or jointly with others, may do so, during the agreed term for the partnership and for that purpose may possess the partnership property, provided they secure the payment by bond approved by the court, or pay to any partner who has caused the dissolution wrongfully, the value of his interest in the partnership at the dissolution, less any damages recoverable under clause (b)(1)b of this section, and in like manner indemnify him against all present or future partnership liabilities.</p> <p>(3) A partner who has caused the dissolution wrongfully shall have:</p> <p>a. If the business is not continued under the provisions of subdivision (b)(2) all the rights of a partner under subsection (a), subject to clause (b)(1)b, of this section,</p> <p>b. If the business is continued under subdivision (b)(2) of this section, the right as against his copartners and all claiming through them in respect of their interests in the partnership, to have the value of his interest in the partnership, less any damages caused to his copartners by the dissolution,</p>	
--	---	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

	ascertained and paid to him in cash, or the payment secured by bond approved by the court, and to be released from all existing liabilities of the partnership; but in ascertaining the value of the partner's interest the value of the goodwill of the business shall not be considered.	
<p>SECTION 803. RESCINDING DISSOLUTION.</p> <p>(a) A partnership may rescind its dissolution, unless a statement of termination applicable to the partnership has become effective or [the appropriate court] has entered an order under Section 801(4) or (5) dissolving the partnership.</p> <p>(b) Rescinding dissolution under this section requires:</p> <p style="padding-left: 40px;">(1) the affirmative vote or consent of each partner; and</p> <p style="padding-left: 40px;">(2) if the partnership has delivered to the [Secretary of State] for filing a statement of dissolution and:</p> <p style="padding-left: 80px;">(A) the statement has not become effective, delivery to the [Secretary of State] for filing of a statement of withdrawal under Section 115 applicable to the statement of dissolution; or</p> <p style="padding-left: 80px;">(B) the statement of dissolution has become effective, delivery to the [Secretary of State] for filing of a statement of rescission stating the name of the partnership and that dissolution has been rescinded under this section.</p> <p>(c) If a partnership rescinds its dissolution:</p> <p style="padding-left: 40px;">(1) the partnership resumes carrying on its business as if dissolution had never occurred;</p> <p style="padding-left: 40px;">(2) subject to paragraph (3), any liability incurred by the partnership after the dissolution and before the rescission has become effective is determined as if dissolution had never occurred; and</p> <p style="padding-left: 40px;">(3) the rights of a third party arising out of conduct in reliance on the dissolution before the</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

third party knew or had notice of the rescission may not be adversely affected.		
<p>SECTION 804. POWER TO BIND PARTNERSHIP AFTER DISSOLUTION.</p> <p>(a) A partnership is bound by a partner's act after dissolution which:</p> <p style="padding-left: 40px;">(1) is appropriate for winding up the partnership business; or</p> <p style="padding-left: 40px;">(2) would have bound the partnership under Section 301 before dissolution if, at the time the other party enters into the transaction, the other party does not know or have notice of the dissolution.</p> <p>(b) A person dissociated as a partner binds a partnership through an act occurring after dissolution if:</p> <p style="padding-left: 40px;">(1) at the time the other party enters into the transaction:</p> <p style="padding-left: 80px;">(A) less than two years has passed since the dissociation; and</p> <p style="padding-left: 80px;">(B) the other party does not know or have notice of the dissociation and reasonably believes that the person is a partner; and</p> <p style="padding-left: 40px;">(2) the act:</p> <p style="padding-left: 80px;">(A) is appropriate for winding up the partnership's business; or</p> <p style="padding-left: 80px;">(B) would have bound the partnership under Section 301 before dissolution and at the time the other party enters into the transaction the other party does not know or have notice of the dissolution.</p>		
<p>SECTION 805. LIABILITY AFTER DISSOLUTION OF PARTNER AND PERSON DISSOCIATED AS PARTNER.</p> <p>(a) If a partner having knowledge of the dissolution causes a partnership to incur an obligation under Section 804(a) by an act that is not appropriate for winding up the partnership business, the partner is liable:</p> <p style="padding-left: 40px;">(1) to the partnership for any damage</p>	<p>§ 59-63. General effect of dissolution on authority of partner</p> <p>Except so far as may be necessary to wind up partnership affairs or to complete transactions begun but not then finished, dissolution terminates all authority of any partner to act for the partnership,</p> <p style="padding-left: 40px;">(1) With respect to the partners,</p>	

RUPA vs. NC UP A Comparaison Chart (October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>caused to the partnership arising from the obligation; and</p> <p style="padding-left: 40px;">(2) if another partner or person dissociated as a partner is liable for the obligation, to that other partner or person for any damage caused to that other partner or person arising from the liability.</p> <p style="padding-left: 40px;">(b) Except as otherwise provided in subsection (c), if a person dissociated as a partner causes a partnership to incur an obligation under Section 804(b), the person is liable:</p> <p style="padding-left: 40px;">(1) to the partnership for any damage caused to the partnership arising from the obligation; and</p> <p style="padding-left: 40px;">(2) if a partner or another person dissociated as a partner is liable for the obligation, to the partner or other person for any damage caused to the partner or other person arising from the obligation.</p> <p style="padding-left: 40px;">(c) A person dissociated as a partner is not liable under subsection (b) if:</p> <p style="padding-left: 80px;">(1) Section 802(c) permits the person to participate in winding up; and</p> <p style="padding-left: 80px;">(2) the act that causes the partnership to be bound under Section 804(b) is appropriate for winding up the partnership's business.</p>	<p style="padding-left: 40px;">a. When the dissolution is not by the act, bankruptcy or death of a partner; or</p> <p style="padding-left: 40px;">b. When the dissolution is by such act, bankruptcy or death of a partner, in cases where G.S. 59-64 so requires,</p> <p style="padding-left: 40px;">(2) With respect to persons not partners, as declared in G.S. 59-65.</p> <p>§ 59-64. Right of partner to contribution from copartners after dissolution</p> <p style="padding-left: 40px;">Where the dissolution is caused by the act, death or bankruptcy of a partner, each partner is liable to his copartners for his share of any liability created by any partner acting for the partnership as if the partnership had not been dissolved unless</p> <p style="padding-left: 80px;">(1) The dissolution being by act of any partner, the partner acting for the partnership had knowledge of the dissolution, or</p> <p style="padding-left: 80px;">(2) The dissolution being by the death or bankruptcy of a partner, the partner acting for the partnership had knowledge or notice of the death or bankruptcy.</p> <p>§ 59-64. Right of partner to contribution from copartners after dissolution</p> <p style="padding-left: 40px;">Where the dissolution is caused by the act, death or bankruptcy of a partner, each partner is liable to his copartners for his share of any liability created by any partner acting for the partnership as if the partnership had not been dissolved unless</p> <p style="padding-left: 80px;">(1) The dissolution being by act of any partner, the partner acting for the partnership had knowledge of the dissolution, or</p> <p style="padding-left: 80px;">(2) The dissolution being by the death or bankruptcy of a partner, the partner acting for the partnership had knowledge or notice of the death or bankruptcy.</p>	
---	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

	<p>§ 59-66. Effect of dissolution on partner's existing liability</p> <p>(a) The dissolution of the partnership does not of itself discharge the existing liability of any partner.</p> <p>(b) A partner is discharged from any existing liability upon dissolution of the partnership by an agreement to that effect between himself, the partnership creditor and the person or partnership continuing the business; and such agreement may be inferred from the course of dealing between the creditor having knowledge of the dissolution and the person or partnership continuing the business.</p> <p>(c) Where a person agrees to assume the existing obligations of a dissolved partnership, the partners whose obligations have been assumed shall be discharged from any liability to any creditor of the partnership who, knowing of the agreement, consents to a material alteration in the nature or time of payment of such obligations.</p> <p>(d) The individual property of a deceased partner shall be liable for all obligations of the partnership incurred while he was a partner but subject to the prior payment of his separate debts.</p>	
<p>SECTION 806. DISPOSITION OF ASSETS IN WINDING UP; WHEN CONTRIBUTIONS REQUIRED.</p> <p>(a) In winding up its business, a partnership shall apply its assets, including the contributions required by this section, to discharge the partnership's obligations to creditors, including partners that are creditors.</p> <p>(b) After a partnership complies with subsection (a), any surplus must be distributed in the following order, subject to any charging order in effect under Section 504:</p> <p>(1) to each person owning a transferable interest that reflects contributions made and not previously returned, an amount equal to the</p>	<p>§ 59-65. Power of partner to bind partnership to third persons after dissolution; publication of notice of dissolution</p> <p>(a) After dissolution a partner can bind the partnership except as provided in subsection (c)</p> <p>(1) By any act appropriate for winding up partnership affairs or completing transactions unfinished at dissolution;</p> <p>(2) By any transaction which would bind the partnership if dissolution had not taken place, provided the other party to the transaction</p> <p>a. Had extended credit to the partnership prior to dissolution and had no knowledge or notice of the dissolution; or</p>	

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>value of the unreturned contributions; and</p> <p>(2) among persons owning transferable interests in proportion to their respective rights to share in distributions immediately before the dissolution of the partnership.</p> <p>(c) If a partnership's assets are insufficient to satisfy all its obligations under subsection (a), with respect to each unsatisfied obligation incurred when the partnership was not a limited liability partnership, the following rules apply:</p> <p>(1) Each person that was a partner when the obligation was incurred and that has not been released from the obligation under Section 703(c) and (d) shall contribute to the partnership for the purpose of enabling the partnership to satisfy the obligation. The contribution due from each of those persons is in proportion to the right to receive distributions in the capacity of a partner in effect for each of those persons when the obligation was incurred.</p> <p>(2) If a person does not contribute the full amount required under paragraph (1) with respect to an unsatisfied obligation of the partnership, the other persons required to contribute by paragraph (1) on account of the obligation shall contribute the additional amount necessary to discharge the obligation. The additional contribution due from each of those other persons is in proportion to the right to receive distributions in the capacity of a partner in effect for each of those other persons when the obligation was incurred.</p> <p>(3) If a person does not make the additional contribution required by paragraph (2), further additional contributions are determined and due in the same manner as provided in that paragraph.</p> <p>(d) A person that makes an additional contribution under subsection (c)(2) or (3) may recover from any person whose failure to contribute under subsection (c)(1) or (2) necessitated the additional contribution. A person may not recover under this</p>	<p>b. Though he had not so extended credit, had nevertheless known of the partnership prior to dissolution, and, having no knowledge or notice of dissolution, the fact of dissolution had not been published at least once a week for four successive weeks in some newspaper qualified for legal advertising in each county in which the partnership business was regularly carried on, or if no such newspaper is published in the county, posted for 30 days at the courthouse and three other public places in the county.</p> <p>(b) The liability of a partner under subdivision (a)(2) shall be satisfied out of partnership assets alone when such partner had been prior to dissolution</p> <p>(1) Unknown as a partner to the person with whom the contract is made; and</p> <p>(2) So far unknown and inactive in partnership affairs that the business reputation of the partnership could not be said to have been in any degree due to his connection with it.</p> <p>(c) The partnership is in no case bound by any act of a partner after dissolution</p> <p>(1) Where the partnership is dissolved because it is unlawful to carry on the business, unless the act is appropriate for winding up partnership affairs; or</p> <p>(2) Where the partner has become bankrupt; or</p> <p>(3) Where the partner has no authority to wind up partnership affairs; except by a transaction with one who</p> <p>a. Had extended credit to the partnership prior to dissolution and had no knowledge or notice of his want of authority; or</p> <p>b. Had not extended credit to the partnership prior to dissolution, and, having no knowledge or notice of his want of authority, the fact of his want of authority has not been advertised in the manner provided for advertising the</p>	
---	---	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>subsection more than the amount additionally contributed. A person's liability under this subsection may not exceed the amount the person failed to contribute.</p> <p>(e) If a partnership does not have sufficient surplus to comply with subsection (b)(1), any surplus must be distributed among the owners of transferable interests in proportion to the value of the respective unreturned contributions.</p> <p>(f) All distributions made under subsections (b) and (c) must be paid in money.</p>	<p>fact of dissolution in subdivision (a)(2)b.</p> <p>(d) Nothing in this section shall affect the liability under G.S. 59-46 of any person who after dissolution represents himself or consents to another representing him as a partner in a partnership engaged in carrying on business.</p> <p>§ 59-70. Rules for distribution</p> <p>In settling accounts between the partners after dissolution, the following rules shall be observed, subject to any agreement to the contrary:</p> <p>(1) The assets of the partnership are all of the following:</p> <ol style="list-style-type: none"> The partnership property. The contributions of the partners necessary for the payment of all the liabilities specified in subdivision (2) of this section. <p>(2) The liabilities of the partnership rank in order of payment, as follows:</p> <ol style="list-style-type: none"> Those owing to creditors other than partners. Those owing to partners other than for capital and profits. Those owing to partners in respect of capital. Those owing to partners in respect of profits. <p>(3) The assets shall be applied in the order of their declaration in subdivision (1) of this section to the satisfaction of the liabilities.</p> <p>(4) The partners shall contribute, as provided by G.S. 59-48(1), the amount necessary to satisfy any liabilities incurred when the partnership was not a registered limited liability partnership; but if any, but not all, of the partners are insolvent, or, not being subject to process, refuse to contribute, the other partners shall contribute their share of these liabilities, and, in the relative proportions in which they share the profits, the additional amount necessary to pay these liabilities.</p> <p>(5) An assignee for the benefit of creditors or any</p>	
--	---	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

	<p>person appointed by the court has the right to enforce the contributions specified in subdivision (4) of this section.</p> <p>(6) A partner has the right to enforce the contributions specified in subdivision (4) of this section to the extent of the amount that the partner has paid in excess of the partner's share of the liability.</p> <p>(7) The individual property of a deceased partner is subject to the contributions specified in subdivision (4) of this section.</p> <p>(8) When partnership property and the individual properties of the partners are in possession of a court for distribution, partnership creditors have priority on partnership property and separate creditors have priority on individual property, saving the rights of lien or secured creditors.</p> <p>(9) Where a partner has become bankrupt or the partner's estate is insolvent, the claims against the separate property rank in the following order:</p> <ol style="list-style-type: none"> a. Those owing to separate creditors. b. Those owing to partnership creditors. c. Those owing to partners by way of contribution. 	
<p>SECTION 807. KNOWN CLAIMS AGAINST DISSOLVED LIMITED LIABILITY PARTNERSHIP.</p> <p>(a) Except as otherwise provided in subsection (d), a dissolved limited liability partnership may give notice of a known claim under subsection (b), which has the effect provided in subsection (c).</p> <p>(b) A dissolved limited liability partnership may in a record notify its known claimants of the dissolution. The notice must:</p> <ol style="list-style-type: none"> (1) specify the information required to be included in a claim; (2) state that a claim must be in 	<p>§ 59-73. Accrual of actions</p> <p>The right to an account of his interest shall accrue to any partner, or his legal representative, as against the winding up partners or the surviving partners or the person or partnership continuing the business, at the date of dissolution, in the absence of any agreement to the contrary.</p>	

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>writing and provide a mailing address to which the claim is to be sent;</p> <p>(3) state the deadline for receipt of a claim, which may not be less than 120 days after the date the notice is received by the claimant;</p> <p>(4) state that the claim will be barred if not received by the deadline; and</p> <p>(5) unless the partnership has been throughout its existence a limited liability partnership, state that the barring of a claim against the partnership will also bar any corresponding claim against any partner or person dissociated as a partner which is based on Section 306.</p> <p>(c) A claim against a dissolved limited liability partnership is barred if the requirements of subsection (b) are met and:</p> <p>(1) the claim is not received by the specified deadline; or</p> <p>(2) if the claim is timely received but rejected by the limited liability partnership:</p> <p>(A) the partnership causes the claimant to receive a notice in a record stating that the claim is rejected and will be barred unless the claimant commences an action against the partnership to enforce the claim not later than 90 days after the claimant receives the notice; and</p> <p>(B) the claimant does not commence the required action not later than 90 days after the claimant receives the notice.</p> <p>(d) This section does not apply to a claim based on an event occurring after the date of dissolution or a liability that on that date is contingent.</p>		
<p>SECTION 808. OTHER CLAIMS AGAINST DISSOLVED LIMITED LIABILITY PARTNERSHIP.</p> <p>(a) A dissolved limited liability partnership may publish notice of its dissolution and request persons having claims against the partnership to present them in accordance with the notice.</p>	<p>§ 59-71. Liability of persons continuing the business in certain cases</p> <p>(a) When any new partner is admitted into an existing partnership, or when any partner retires and assigns (or the representative of the deceased partner assigns) his rights in partnership property to two or</p>	

RUPA vs. NC UP A Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>(b) A notice under subsection (a) must:</p> <p>(1) be published at least once in a newspaper of general circulation in the [county] in this state in which the dissolved limited liability partnership's principal office is located or, if the principal office is not located in this state, in the [county] in which the office of the partnership's registered agent is or was last located;</p> <p>(2) describe the information required to be contained in a claim, state that the claim must be in writing, and provide a mailing address to which the claim is to be sent;</p> <p>(3) state that a claim against the partnership is barred unless an action to enforce the claim is commenced not later than three years after publication of the notice; and</p> <p>(4) unless the partnership has been throughout its existence a limited liability partnership, state that the barring of a claim against the partnership will also bar any corresponding claim against any partner or person dissociated as a partner which is based on Section 306.</p> <p>(c) If a dissolved limited liability partnership publishes a notice in accordance with subsection (b), the claim of each of the following claimants is barred unless the claimant commences an action to enforce the claim against the partnership not later than three years after the publication date of the notice:</p> <p>(1) a claimant that did not receive notice in a record under Section 807;</p> <p>(2) a claimant whose claim was timely sent to the partnership but not acted on; and</p> <p>(3) a claimant whose claim is contingent at, or based on an event occurring after, the date of dissolution.</p> <p>(d) A claim not barred under this section or Section 807 may be enforced:</p> <p>(1) against a dissolved limited liability partnership, to the extent of its undistributed assets;</p>	<p>more of the partners, or to one or more of the partners and one or more third persons, if the business is continued without liquidation of the partnership affairs, creditors of the first or dissolved partnership are also creditors of the partnership so continuing the business.</p> <p>(b) When all but one partner retire and assign (or the representative of a deceased partner assigns) their rights in partnership property to the remaining partner, who continues the business without liquidation of partnership affairs, either alone or with others, creditors of the dissolved partnership are also creditors of the person or partnership so continuing the business.</p> <p>(c) When any partner retires or dies and the business of the dissolved partnership is continued as set forth in subsections (a) and (b) of this section, with the consent of the retired partners or the representative of the deceased partner, but without any assignment of his right in partnership property, rights of creditors of the dissolved partnership and of the creditors of the person or partnership continuing the business shall be as if such assignment had been made.</p> <p>(d) When all the partners or their representatives assign their rights in partnership property to one or more third persons who promise to pay the debts and who continue the business of the dissolved partnership, creditors of the dissolved partnership are also creditors of the person or partnership continuing the business.</p> <p>(e) When any partner wrongfully causes a dissolution and the remaining partners continue the business under the provisions of G.S. 59-68, subdivision (b)(2), either alone or with others, and without liquidation of the partnership affairs, creditors of the dissolved partnership are also creditors of the person or partnership continuing the business.</p> <p>(f) When a partner is expelled and the remaining partners continue the business either alone or with others, without liquidation of the partnership affairs, creditors of the dissolved partnership are also creditors of the person or partnership continuing the business.</p>	
---	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>(2) except as otherwise provided in Section 809, if assets of the partnership have been distributed after dissolution, against a partner or transferee to the extent of that person's proportionate share of the claim or of the partnership's assets distributed to the partner or transferee after dissolution, whichever is less, but a person's total liability for all claims under this paragraph may not exceed the total amount of assets distributed to the person after dissolution; and</p> <p>(3) against any person liable on the claim under Sections 306, 703, and 805.</p>	<p>(g) The liability of a third person becoming a partner in the partnership continuing the business, under this section, to the creditors of the dissolved partnership shall be satisfied out of the partnership property only.</p> <p>(h) When the business of a partnership after dissolution is continued under any conditions set forth in this section the creditors of the dissolved partnership, as against the separate creditors of the retiring or deceased partner or the representative of the deceased partner, have a prior right to any claim of the retired partner or the representative of the deceased partner against the person or partnership continuing the business on account of the retired or deceased partner's interest in the dissolved partnership or on account of any consideration promised for such interest or for his right in partnership property.</p> <p>(i) Nothing in this section shall be held to modify any right of creditors to set aside any assignment on the ground of fraud.</p> <p>(j) The use by the person or partnership continuing the business of the partnership name, or the name of a deceased partner as part thereof, shall not of itself make the individual property of the deceased partner liable for any debts contracted by such person or partnership.</p>	
<p>SECTION 809. COURT PROCEEDINGS.</p> <p>(a) A dissolved limited liability partnership that has published a notice under Section 808 may file an application with [the appropriate court] in the [county] where the partnership's principal office is located or, if the principal office is not located in this state, where the office of its registered agent is or was last located, for a determination of the amount and form of security to be provided for payment of claims that are reasonably expected to arise after the date of dissolution based on facts known to the partnership and:</p> <p>(1) at the time of the application:</p> <p>(A) are contingent; or</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>(B) have not been made known to the partnership; or</p> <p>(2) are based on an event occurring after the date of dissolution.</p> <p>(b) Security is not required for any claim that is or is reasonably anticipated to be barred under Section 807.</p> <p>(c) Not later than 10 days after the filing of an application under subsection (a), the dissolved limited liability partnership shall give notice of the proceeding to each claimant holding a contingent claim known to the partnership.</p> <p>(d) In any proceeding under this section, the court may appoint a guardian ad litem to represent all claimants whose identities are unknown. The reasonable fees and expenses of the guardian, including all reasonable expert witness fees, must be paid by the dissolved limited liability partnership.</p> <p>(e) A dissolved limited liability partnership that provides security in the amount and form ordered by the court under subsection (a) satisfies the partnership's obligations with respect to claims that are contingent, have not been made known to the partnership, or are based on an event occurring after the date of dissolution, and such claims may not be enforced against a partner or transferee on account of assets received in liquidation.</p>		
<p>SECTION 810. LIABILITY OF PARTNER AND PERSON DISSOCIATED AS PARTNER WHEN CLAIM AGAINST PARTNERSHIP BARRED. If a claim against a dissolved partnership is barred under Section 807, 808, or 809, any corresponding claim under Section 306, 703, or 805 is also barred.</p>		
<p>SECTION 901. STATEMENT OF QUALIFICATION.</p> <p>(a) A partnership may become a limited liability partnership pursuant to this section.</p> <p>(b) The terms and conditions on which a</p>		

RUPA vs. NC UPA Comparaison Chart (October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>partnership becomes a limited liability partnership must be approved by the affirmative vote or consent necessary to amend the partnership agreement except, in the case of a partnership agreement that expressly addresses obligations to contribute to the partnership, the affirmative vote or consent necessary to amend those provisions.</p> <p>(c) After the approval required by subsection (b), a partnership may become a limited liability partnership by delivering to the [Secretary of State] for filing a statement of qualification. The statement must contain:</p> <p>(1) the name of the partnership which must comply with Section 902;</p> <p>(2) the street and mailing addresses of the partnership's principal office and, if different, the street address of an office in this state, if any;</p> <p>(3) the name and street and mailing addresses in this state of the partnership's registered agent; and</p> <p>(4) a statement that the partnership elects to become a limited liability partnership.</p> <p>(d) A partnership's status as a limited liability partnership remains effective, regardless of changes in the partnership, until it is canceled pursuant to subsection (f) or administratively revoked pursuant to Section 903.</p> <p>(e) The status of a partnership as a limited liability partnership and the protection against liability of its partners for the debts, obligations, or other liabilities of the partnership while it is a limited liability partnership is not affected by errors or later changes in the information required to be contained in the statement of qualification.</p> <p>(f) A limited liability partnership may amend or cancel its statement of qualification by delivering to the [Secretary of State] for filing a statement of amendment or cancellation. The statement must be approved by the affirmative vote or consent of all the partners and</p>		
--	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>state the name of the limited liability partnership and in the case of:</p> <p style="padding-left: 40px;">(1) an amendment, state the text of the amendment; and</p> <p style="padding-left: 40px;">(2) a cancellation, state that the statement of qualification is canceled.</p>		
<p>SECTION 902. PERMITTED NAMES.</p> <p>(a) The name of a partnership that is not a limited liability partnership may not contain the phrase “Registered Limited Liability Partnership” or “Limited Liability Partnership” or the abbreviation “R.L.L.P.”, “L.L.P.”, “RLLP” , or “LLP”.</p> <p>(b) The name of a limited liability partnership must contain the phrase “Registered Limited Liability Partnership” or “Limited Liability Partnership” or the abbreviation “R.L.L.P.”, “L.L.P.”, “RLLP”, or “LLP”.</p> <p>(c) Except as otherwise provided in subsection (f), the name of a limited liability partnership, and the name under which a foreign limited liability partnership may register to do business in this state, must be distinguishable on the records of the [Secretary of State] from any:</p> <p style="padding-left: 40px;">(1) name of an existing person whose formation required the filing of a record by the [Secretary of State] and which is not at the time administratively dissolved;</p> <p style="padding-left: 40px;">(2) name of a limited liability partnership whose statement of qualification is in effect;</p> <p style="padding-left: 40px;">(3) name under which a person that is registered to do business in this state by the filing of a record by the [Secretary of State];</p> <p style="padding-left: 40px;">(4) name that is reserved under Section 903 or other law of this state providing for the reservation of a name by a filing of a record by the [Secretary of State];</p> <p style="padding-left: 40px;">(5) name that is registered under Section 904 or other law of this state providing for the</p>		

RUPA vs. NC UP A Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>registration of a name by a filing of a record by the [Secretary of State]; and</p> <p>(6) a name registered under [this state's assumed or fictitious name statute].</p> <p>(d) If a person consents in a record to the use of its name and submits an undertaking in a form satisfactory to the [Secretary of State] to change its name to a name that is distinguishable on the records of the [Secretary of State] from any name in any category of names in subsection (c), the name of the consenting person may be used by the person to which the consent was given.</p> <p>(e) Except as otherwise provided in subsection (f), in determining whether a name is the same as or not distinguishable on the records of the [Secretary of State] from the name of another person, words, phrases, or abbreviations indicating a type of entity, such as "corporation", "corp.", "incorporated", "Inc.", "professional corporation", "PC", "P.C.", "professional association", "PA", "P.A.", "Limited", "Ltd.", "limited partnership", "LP", "L.P.", "limited liability partnership", "LLP", "L.L.P.", "registered limited liability partnership", "RLLP", "R.L.L.P.", "limited liability limited partnership", "LLLLP", "L.L.L.L.P.", "registered limited liability limited partnership", "RLLLLP", "R.L.L.L.P.", "limited liability company", "LLC", or "L.L.C.", "limited cooperative association", "limited cooperative", "LCA", or "L.C.A." may not be taken into account.</p> <p>(f) A person may consent in a record to the use of a name that is not distinguishable on the records of the [Secretary of State] from its name except for the addition of a word, phrase, or abbreviation indicating the type of person as provided in subsection (e). In such a case, the person need not change its name pursuant to subsection (d).</p> <p>(g) The name of a limited liability partnership or foreign limited liability partnership may not contain the words [insert prohibited words or words that may be used only with approval by an appropriate state</p>		
---	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>agency].</p> <p>(h) A limited liability partnership or foreign limited liability partnership may use a name that is not distinguishable from a name described in subsection (c)(1) through (6) if the partnership delivers to the [Secretary of State] a certified copy of a final judgment of a court of competent jurisdiction establishing the right of the partnership to use the name in this state.</p>		
<p>SECTION 903. ADMINISTRATIVE REVOCATION OF STATEMENT OF QUALIFICATION.</p> <p>(a) The [Secretary of State] may commence a proceeding under subsection (b) to revoke the statement of qualification of a limited liability partnership administratively if the partnership does not:</p> <p style="padding-left: 40px;">(1) pay any fee, tax, interest, or penalty required to be paid to the [Secretary of State] not later than [six months] after it is due;</p> <p style="padding-left: 40px;">(2) deliver [an annual] [a biennial] report to the [Secretary of State] not later than [six months] after it is due; or</p> <p style="padding-left: 40px;">(3) have a registered agent in this state for [60] consecutive days.</p> <p>(b) If the [Secretary of State] determines that one or more grounds exist for administratively revoking a statement of qualification, the [Secretary of State] shall serve the partnership with notice in a record of the [Secretary of State's] determination.</p> <p>(c) If a limited liability partnership, not later than [60] days after service of the notice under subsection (b), does not cure or demonstrate to the satisfaction of the [Secretary of State] the nonexistence of each ground determined by the [Secretary of State], the [Secretary of State] shall administratively revoke the statement of qualification by signing a statement of administrative revocation that recites the grounds for revocation and the effective date of the revocation. The [Secretary of State] shall file the statement and</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>serve a copy on the partnership pursuant to Section 116.</p> <p>(d) An administrative revocation under subsection (c) affects only a partnership's status as a limited liability partnership and is not an event causing dissolution of the partnership.</p> <p>(e) The administrative revocation of a statement of qualification of a limited liability partnership does not terminate the authority of its registered agent.</p>		
<p>SECTION 904. REINSTATEMENT.</p> <p>(a) A partnership whose statement of qualification has been revoked administratively under Section 903 may apply to the [Secretary of State] for reinstatement of the statement of qualification [not later than [two] years after the effective date of the revocation]. The application must state:</p> <p style="padding-left: 40px;">(1) the name of the partnership at the time of the administrative revocation of its statement of qualification and, if needed, a different name that satisfies Section 902;</p> <p style="padding-left: 40px;">(2) the address of the principal office of the partnership and the name and street and mailing addresses of its registered agent;</p> <p style="padding-left: 40px;">(3) the effective date of administrative revocation of the partnership's statement of qualification; and</p> <p style="padding-left: 40px;">(4) that the grounds for revocation did not exist or have been cured.</p> <p>(b) To have its statement of qualification reinstated, a partnership must pay all fees, taxes, interest, and penalties that were due to the [Secretary of State] at the time of the administrative revocation and all fees, taxes, interest, and penalties that would have been due to the [Secretary of State] while the partnership's statement of qualification was revoked administratively.</p> <p>(c) If the [Secretary of State] determines that an application under subsection (a) contains the</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>required information, is satisfied that the information is correct, and determines that all payments required to be made to the [Secretary of State] by subsection (b) have been made, the [Secretary of State] shall:</p> <p style="padding-left: 40px;">(1) cancel the statement of revocation and prepare a statement of reinstatement that states the [Secretary of State's] determination and the effective date of reinstatement; and</p> <p style="padding-left: 40px;">(2) file the statement of reinstatement and serve a copy on the partnership.</p> <p>(d) When reinstatement under this section has become effective, the following rules apply:</p> <p style="padding-left: 40px;">(1) The reinstatement relates back to and takes effect as of the effective date of the administrative revocation.</p> <p style="padding-left: 40px;">(2) The partnership's status as a limited liability partnership continues as if the revocation had not occurred.</p> <p style="padding-left: 40px;">(3) The rights of a person arising out of an act or omission in reliance on the revocation before the person knew or had notice of the reinstatement are not affected.</p>		
<p>SECTION 905. JUDICIAL REVIEW OF DENIAL OF REINSTATEMENT.</p> <p>(a) If the [Secretary of State] denies a partnership's application for reinstatement following administrative revocation of the partnership's statement of qualification, the [Secretary of State] shall serve the partnership with a notice in a record that explains the reasons for the denial.</p> <p>(b) A partnership may seek judicial review of denial of reinstatement in [the appropriate court] not later than [30] days after service of the notice of denial.</p>		
<p>SECTION 906. RESERVATION OF NAME.</p> <p>(a) A person may reserve the exclusive use of a name that complies with Section 902 by delivering an application to the [Secretary of State] for filing. The application must state the name and address of the</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>applicant and the name to be reserved. If the [Secretary of State] finds that the name is available, the [Secretary of State] shall reserve the name for the applicant's exclusive use for [120] days.</p> <p>(b) The owner of a reserved name may transfer the reservation to another person by delivering to the [Secretary of State] a signed notice in a record of the transfer which states the name and address of the person to which the reservation is being transferred.</p>		
<p>SECTION 907. REGISTRATION OF NAME.</p> <p>(a) A foreign limited liability partnership not registered to do business in this state under [Article] 10 may register its name, or an alternate name adopted pursuant to Section 902, if the name is distinguishable on the records of the [Secretary of State] from the names that are not available under Section 902.</p> <p>(b) To register its name or an alternate name adopted pursuant to Section 902, a foreign limited liability partnership must deliver to the [Secretary of State] for filing an application stating the partnership's name, the jurisdiction and date of its formation, and any alternate name adopted pursuant to Section 902. If the [Secretary of State] finds that the name applied for is available, the [Secretary of State] shall register the name for the applicant's exclusive use.</p> <p>(c) The registration of a name under this section is effective for [one year] after the date of registration.</p> <p>(d) A foreign limited liability partnership whose name registration is effective may renew the registration for successive [one-year] periods by delivering, not earlier than [three months] before the expiration of the registration, to the [Secretary of State] for filing a renewal application that complies with this section. When filed, the renewal application renews the registration for a succeeding [one-year] period.</p> <p>(e) A foreign limited liability partnership whose name registration is effective may register as a foreign</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

limited liability partnership under the registered name or consent in a signed record to the use of that name by another person that is not an individual.		
<p>SECTION 908. REGISTERED AGENT.</p> <p>(a) Each limited liability partnership and each registered foreign limited liability partnership shall designate and maintain a registered agent in this state. The designation of a registered agent is an affirmation of fact by the partnership or foreign partnership that the agent has consented to serve.</p> <p>(b) A registered agent for a limited liability partnership or registered foreign limited liability partnership must have a place of business in this state.</p> <p>(c) The only duties under this [act] of a registered agent that has complied with this [act] are:</p> <p style="padding-left: 40px;">(1) to forward to the limited liability partnership or registered foreign limited liability partnership at the address most recently supplied to the agent by the partnership or foreign partnership any process, notice, or demand pertaining to the partnership or foreign partnership which is served on or received by the agent;</p> <p style="padding-left: 40px;">(2) if the registered agent resigns, to provide the notice required by Section 907(c) to the partnership or foreign partnership at the address most recently supplied to the agent by the partnership or foreign partnership; and</p> <p style="padding-left: 40px;">(3) to keep current the information with respect to the agent in the statement of qualification or foreign registration statement.</p>		
<p>SECTION 909. CHANGE OF REGISTERED AGENT OR ADDRESS FOR REGISTERED AGENT BY LIMITED LIABILITY PARTNERSHIP.</p> <p>(a) A limited liability partnership or registered foreign limited liability partnership may change its registered agent or the address of its registered agent by delivering to the [Secretary of State] for filing a statement of change that states:</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>(1) the name of the partnership or foreign partnership; and</p> <p>(2) the information that is to be in effect as a result of the filing of the statement of change.</p> <p>(b) The partners of a limited liability partnership need not approve the delivery to the [Secretary of State] for filing of:</p> <p>(1) a statement of change under this section; or</p> <p>(2) a similar filing changing the registered agent or registered office, if any, of the partnership in any other jurisdiction.</p> <p>(c) A statement of change under this section designating a new registered agent is an affirmation of fact by the limited liability partnership or registered foreign limited liability partnership that the agent has consented to serve.</p> <p>(d) As an alternative to using the procedure in this section, a limited liability partnership may amend its statement of qualification.</p>		
<p>SECTION 910. RESIGNATION OF REGISTERED AGENT.</p> <p>(a) A registered agent may resign as an agent for a limited liability partnership or registered foreign limited liability partnership by delivering to the [Secretary of State] for filing a statement of resignation that states:</p> <p>(1) the name of the partnership or foreign partnership;</p> <p>(2) the name of the agent;</p> <p>(3) that the agent resigns from serving as registered agent for the partnership or foreign partnership; and</p> <p>(4) the address of the partnership or foreign partnership to which the agent will send the notice required by subsection (c).</p> <p>(b) A statement of resignation takes effect on</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>the earlier of:</p> <p>(1) the 31st day after the day on which it is filed by the [Secretary of State]; or</p> <p>(2) the designation of a new registered agent for the limited liability partnership or registered foreign limited liability partnership.</p> <p>(c) A registered agent promptly shall furnish to the limited liability partnership or registered foreign limited liability partnership notice in a record of the date on which a statement of resignation was filed.</p> <p>(d) When a statement of resignation takes effect, the registered agent ceases to have responsibility under this [act] for any matter thereafter tendered to it as agent for the limited liability partnership or registered foreign limited liability partnership. The resignation does not affect any contractual rights the partnership or foreign partnership has against the agent or that the agent has against the partnership or foreign partnership.</p> <p>(e) A registered agent may resign with respect to a limited liability partnership or registered foreign limited liability partnership whether or not the partnership or foreign partnership is in good standing.</p>		
<p>SECTION 911. CHANGE OF NAME OR ADDRESS BY REGISTERED AGENT.</p> <p>(a) If a registered agent changes its name or address, the agent may deliver to the [Secretary of State] for filing a statement of change that states:</p> <p>(1) the name of the limited liability partnership or registered foreign limited liability partnership represented by the registered agent;</p> <p>(2) the name of the agent as currently shown in the records of the [Secretary of State] for the partnership or foreign partnership;</p> <p>(3) if the name of the agent has changed, its new name; and</p> <p>(4) if the address of the agent has changed, its new address.</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>(b) A registered agent promptly shall furnish notice to the represented limited liability partnership or registered foreign limited liability partnership of the filing by the [Secretary of State] of the statement of change and the changes made by the statement.</p>		
<p>SECTION 912. SERVICE OF PROCESS, NOTICE, OR DEMAND.</p> <p>(a) A limited liability partnership or registered foreign limited liability partnership may be served with any process, notice, or demand required or permitted by law by serving its registered agent.</p> <p>(b) If a limited liability partnership or registered foreign limited liability partnership ceases to have a registered agent, or if its registered agent cannot with reasonable diligence be served, the partnership or foreign partnership may be served by registered or certified mail, return receipt requested, or by similar commercial delivery service, addressed to the partnership or foreign partnership at its principal office. The address of the principal office must be as shown in the partnership's or foreign partnership's most recent [annual] [biennial] report filed by the [Secretary of State]. Service is effected under this subsection on the earliest of:</p> <p style="padding-left: 40px;">(1) the date the partnership or foreign partnership receives the mail or delivery by the commercial delivery service;</p> <p style="padding-left: 40px;">(2) the date shown on the return receipt, if signed by the partnership or foreign partnership; or</p> <p style="padding-left: 40px;">(3) five days after its deposit with the United States Postal Service, or with the commercial delivery service, if correctly addressed and with sufficient postage or payment.</p> <p>(c) If process, notice, or demand cannot be served on a limited liability partnership or registered foreign limited liability partnership pursuant to subsection (a) or (b), service may be made by handing a</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>copy to the individual in charge of any regular place of business of the partnership or foreign partnership if the individual served is not a plaintiff in the action.</p> <p>(d) Service of process, notice, or demand on a registered agent must be in a written record.</p> <p>(e) Service of process, notice, or demand may be made by other means under law other than this [act].</p>		
<p>SECTION 913. [ANNUAL] [BIENNIAL] REPORT FOR [SECRETARY OF STATE].</p> <p>(a) A limited liability partnership or registered foreign limited liability partnership shall deliver to the [Secretary of State] for filing [an annual] [a biennial] report that states:</p> <p>(1) the name of the partnership or registered foreign partnership;</p> <p>(2) the name and street and mailing addresses of its registered agent in this state;</p> <p>(3) the street and mailing addresses of its principal office;</p> <p>(4) the name of at least one partner; and</p> <p>(5) in the case of a foreign partnership, its jurisdiction of formation and any alternate name adopted under Section 1006.</p> <p>(b) Information in the [annual] [biennial] report must be current as of the date the report is signed by the limited liability partnership or registered foreign limited liability partnership.</p> <p>(c) The first [annual] [biennial] report must be delivered to the [Secretary of State] for filing after [January 1] and before [April 1] of the year following the calendar year in which the limited liability partnership's statement of qualification became effective or the registered foreign limited liability partnership registered to do business in this state. Subsequent [annual] [biennial] reports must be delivered to the [Secretary of State] for filing after</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>[January 1] and before [April 1] of each [second] calendar year thereafter.</p> <p>(d) If [an annual] [a biennial] report does not contain the information required by this section, the [Secretary of State] promptly shall notify the reporting limited liability partnership or registered foreign limited liability partnership in a record and return the report for correction.</p> <p>(e) If [an annual] [a biennial] report contains the name or address of a registered agent which differs from the information shown in the records of the [Secretary of State] immediately before the report becomes effective, the differing information is considered a statement of change under Section 909.</p>		
<p>SECTION 1001. GOVERNING LAW.</p> <p>(a) The law of the jurisdiction of formation of a foreign limited liability partnership governs:</p> <p>(1) the internal affairs of the partnership; and</p> <p>(2) the liability of a partner as partner for a debt, obligation, or other liability of the foreign partnership.</p> <p>(b) A foreign limited liability partnership is not precluded from registering to do business in this state because of any difference between the law of its jurisdiction of formation and the law of this state.</p> <p>(c) Registration of a foreign limited liability partnership to do business in this state does not authorize the foreign partnership to engage in any business or exercise any power that a limited liability partnership may not engage in or exercise in this state.</p>		
<p>SECTION 1002. REGISTRATION TO DO BUSINESS IN THIS STATE.</p> <p>(a) A foreign limited liability partnership may not do business in this state until it registers with the [Secretary of State] under this [article].</p> <p>(b) A foreign limited liability partnership doing business in this state may not maintain an action or</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>proceeding in this state unless it has registered to do business in this state.</p> <p>(c) The failure of a foreign limited liability partnership to register to do business in this state does not impair the validity of a contract or act of the foreign partnership or preclude it from defending an action or proceeding in this state.</p> <p>(d) A limitation on the liability of a partner of a foreign limited liability partnership is not waived solely because the foreign partnership does business in this state without registering to do business in this state.</p> <p>(e) Section 1001(a) and (b) applies even if a foreign limited liability partnership fails to register under this [article].</p>		
<p>SECTION 1003. FOREIGN REGISTRATION STATEMENT.</p> <p>To register to do business in this state, a foreign limited liability partnership must deliver a foreign registration statement to the [Secretary of State] for filing. The statement must state:</p> <p>(1) the name of the partnership and, if the name does not comply with Section 902, an alternate name adopted pursuant to Section 1006(a);</p> <p>(2) that the partnership is a foreign limited liability partnership;</p> <p>(3) the partnership's jurisdiction of formation;</p> <p>(4) the street and mailing addresses of the partnership's principal office and, if the law of the partnership's jurisdiction of formation requires the partnership to maintain an office in that jurisdiction, the street and mailing addresses of the required office; and</p> <p>(5) the name and street and mailing addresses of the partnership's registered agent in this state.</p>		
<p>SECTION 1004. AMENDMENT OF FOREIGN REGISTRATION STATEMENT. A registered foreign limited liability partnership shall deliver to the</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>[Secretary of State] for filing an amendment to its foreign registration statement if there is a change in:</p> <ul style="list-style-type: none"> (1) the name of the partnership; (2) the partnership's jurisdiction of formation; (3) an address required by Section 1003(4); <p>or</p> <ul style="list-style-type: none"> (4) the information required by Section 1003(5). 		
<p>SECTION 1005. ACTIVITIES NOT CONSTITUTING DOING BUSINESS.</p> <p>(a) Activities of a foreign limited liability partnership which do not constitute doing business in this state under this [article] include:</p> <ul style="list-style-type: none"> (1) maintaining, defending, mediating, arbitrating, or settling an action or proceeding; (2) carrying on any activity concerning its internal affairs, including holding meetings of its partners; (3) maintaining accounts in financial institutions; (4) maintaining offices or agencies for the transfer, exchange, and registration of securities of the partnership or maintaining trustees or depositories with respect to those securities; (5) selling through independent contractors; (6) soliciting or obtaining orders by any means if the orders require acceptance outside this state before they become contracts; (7) creating or acquiring indebtedness, mortgages, or security interests in property; (8) securing or collecting debts or enforcing mortgages or security interests in property securing the debts and holding, protecting, or maintaining property; (9) conducting an isolated 		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>transaction that is not in the course of similar transactions;</p> <p style="padding-left: 40px;">(10) owning, without more, property; and</p> <p style="padding-left: 40px;">(11) doing business in interstate commerce.</p> <p style="padding-left: 40px;">(b) A person does not do business in this state solely by being a partner of a foreign limited liability partnership that does business in this state.</p> <p style="padding-left: 40px;">(c) This section does not apply in determining the contacts or activities that may subject a foreign limited liability partnership to service of process, taxation, or regulation under law of this state other than this [act].</p>		
<p>SECTION 1006. NONCOMPLYING NAME OF FOREIGN LIMITED LIABILITY PARTNERSHIP.</p> <p style="padding-left: 40px;">(a) A foreign limited liability partnership whose name does not comply with Section 902 may not register to do business in this state until it adopts, for the purpose of doing business in this state, an alternate name that complies with Section 902. A partnership that registers under an alternate name under this subsection need not comply with [this state's assumed or fictitious name statute]. After registering to do business in this state with an alternate name, a partnership shall do business in this state under:</p> <p style="padding-left: 80px;">(1) the alternate name;</p> <p style="padding-left: 80px;">(2) the partnership's name, with the addition of its jurisdiction of formation; or</p> <p style="padding-left: 80px;">(3) a name the partnership is authorized to use under [this state's assumed or fictitious name statute].</p> <p style="padding-left: 40px;">(b) If a registered foreign limited liability partnership changes its name to one that does not comply with Section 902, it may not do business in this state until it complies with subsection (a) by amending its registration to adopt an alternate name that complies with Section 902.</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>SECTION 1007. WITHDRAWAL DEEMED ON CONVERSION TO DOMESTIC FILING ENTITY OR DOMESTIC LIMITED LIABILITY PARTNERSHIP. A registered foreign limited liability partnership that converts to a domestic limited liability partnership or to a domestic entity whose formation requires the delivery of a record to the [Secretary of State] for filing is deemed to have withdrawn its registration on the effective date of the conversion.</p>		
<p>SECTION 1008. WITHDRAWAL ON DISSOLUTION OR CONVERSION TO NONFILING ENTITY OTHER THAN LIMITED LIABILITY PARTNERSHIP.</p> <p>(a) A registered foreign limited liability partnership that has dissolved and completed winding up or has converted to a domestic or foreign entity whose formation does not require the public filing of a record, other than a limited liability partnership, shall deliver a statement of withdrawal to the [Secretary of State] for filing. The statement must state:</p> <p style="padding-left: 40px;">(1) in the case of a partnership that has completed winding up:</p> <p style="padding-left: 80px;">(A) its name and jurisdiction of formation;</p> <p style="padding-left: 80px;">(B) that the partnership surrenders its registration to do business in this state; and</p> <p style="padding-left: 40px;">(2) in the case of a partnership that has converted:</p> <p style="padding-left: 80px;">(A) the name of the converting partnership and its jurisdiction of formation;</p> <p style="padding-left: 80px;">(B) the type of entity to which the partnership has converted and its jurisdiction of formation;</p> <p style="padding-left: 80px;">(C) that the converted entity surrenders the converting partnership's registration to do business in this state and revokes</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>the authority of the converting partnership's registered agent to act as registered agent in this state on behalf of the partnership or the converted entity; and</p> <p style="padding-left: 40px;">(D) a mailing address to which service of process may be made under subsection (b).</p> <p style="padding-left: 40px;">(b) After a withdrawal under this section becomes effective, service of process in any action or proceeding based on a cause of action arising during the time the foreign limited liability partnership was registered to do business in this state may be made pursuant to Section 909.</p>		
<p>SECTION 1009. TRANSFER OF REGISTRATION.</p> <p>(a) When a registered foreign limited liability partnership has merged into a foreign entity that is not registered to do business in this state or has converted to a foreign entity required to register with the [Secretary of State] to do business in this state, the foreign entity shall deliver to the [Secretary of State] for filing an application for transfer of registration. The application must state:</p> <p style="padding-left: 40px;">(1) the name of the registered foreign limited partnership before the merger or conversion;</p> <p style="padding-left: 40px;">(2) that before the merger or conversion the registration pertained to a foreign limited liability partnership;</p> <p style="padding-left: 40px;">(3) the name of the applicant foreign entity into which the foreign limited liability partnership has merged or to which it has been converted and, if the name does not comply with Section 902, an alternate name adopted pursuant to Section 1006(a);</p> <p style="padding-left: 40px;">(4) the type of entity of the applicant foreign entity and its jurisdiction of formation;</p> <p style="padding-left: 40px;">(5) the street and mailing addresses</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>of the principal office of the applicant foreign entity and, if the law of that entity's jurisdiction of formation requires the entity to maintain an office in that jurisdiction, the street and mailing addresses of that office; and</p> <p>(6) the name and street and mailing addresses of the applicant foreign entity's registered agent in this state.</p> <p>(b) When an application for transfer of registration takes effect, the registration of the foreign limited liability limited partnership to do business in this state is transferred without interruption to the foreign entity into which the partnership has merged or to which it has been converted.</p>		
<p>SECTION 1010. TERMINATION OF REGISTRATION.</p> <p>(a) The [Secretary of State] may terminate the registration of a registered foreign limited liability partnership in the manner provided in subsections (b) and (c) if the partnership does not:</p> <p>(1) pay, not later than [60] days after the due date, any fee, tax, interest, or penalty required to be paid to the [Secretary of State] under this [act] or law other than this [act];</p> <p>(2) deliver to the [Secretary of State] for filing, not later than [60] days after the due date, [an annual] [a biennial] report required under Section 913;</p> <p>(3) have a registered agent as required by Section 908; or</p> <p>(4) deliver to the [Secretary of State] for filing a statement of a change under Section 909 not later than [30] days after a change has occurred in the name or address of the registered agent.</p> <p>(b) The [Secretary of State] may terminate the registration of a registered foreign limited liability</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>partnership by:</p> <p style="padding-left: 40px;">(1) filing a notice of termination or noting the termination in the records of the [Secretary of State]; and</p> <p style="padding-left: 40px;">(2) delivering a copy of the notice or the information in the notation to the partnership's registered agent or, if the partnership does not have a registered agent, to the partnership's principal office.</p> <p style="padding-left: 40px;">(c) A notice or information in a notation under subsection (b) must include:</p> <p style="padding-left: 80px;">(1) the effective date of the termination, which must be at least [60] days after the date the [Secretary of State] delivers the copy; and</p> <p style="padding-left: 80px;">(2) the grounds for termination under subsection (a).</p> <p style="padding-left: 40px;">(d) The authority of a registered foreign limited liability partnership to do business in this state ceases on the effective date of the notice of termination or notation under subsection (b), unless before that date the partnership cures each ground for termination stated in the notice or notation. If the partnership cures each ground, the [Secretary of State] shall file a record so stating.</p>		
<p>SECTION 1011. WITHDRAWAL OF REGISTRATION OF REGISTERED FOREIGN LIMITED LIABILITY PARTNERSHIP.</p> <p style="padding-left: 40px;">(a) A registered foreign limited liability partnership may withdraw its registration by delivering a statement of withdrawal to the [Secretary of State] for filing. The statement of withdrawal must state:</p> <p style="padding-left: 80px;">(1) the name of the partnership and its jurisdiction of formation;</p> <p style="padding-left: 80px;">(2) that the partnership is not doing business in this state and that it withdraws its registration to do business in this state;</p> <p style="padding-left: 80px;">(3) that the partnership revokes the authority of its registered agent to accept service on its</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>behalf in this state; and</p> <p>(4) an address to which service of process may be made under subsection (b).</p> <p>(b) After the withdrawal of the registration of a foreign limited liability partnership, service of process in any action or proceeding based on a cause of action arising during the time the partnership was registered to do business in this state may be made pursuant to Section 909.</p>		
<p>SECTION 1012. ACTION BY [ATTORNEY GENERAL]. The [Attorney General] may maintain an action to enjoin a foreign limited liability partnership from doing business in this state in violation of this [article].</p>		
<p>SECTION 1101. DEFINITIONS. In this [article]:</p> <p>(1) “Acquired entity” means the entity, all of one or more classes or series of interests of which are acquired in an interest exchange.</p> <p>(2) “Acquiring entity” means the entity that acquires all of one or more classes or series of interests of the acquired entity in an interest exchange.</p> <p>(3) “Conversion” means a transaction authorized by [Part] 4.</p> <p>(4) “Converted entity” means the converting entity as it continues in existence after a conversion.</p> <p>(5) “Converting entity” means the domestic entity that approves a plan of conversion pursuant to Section 1143 or the foreign entity that approves a conversion pursuant to the law of its jurisdiction of formation.</p> <p>(6) “Distributional interest” means the right under an unincorporated entity’s organic law and organic rules to receive distributions from the entity.</p> <p>(7) “Domestic”, with respect to an entity, means governed as to its internal affairs by the law of this state.</p> <p>(8) “Domesticated limited liability partnership” means a domesticating limited liability partnership as it</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>continues in existence after a domestication.</p> <p>(9) “Domesticating limited liability partnership” means the domestic limited liability partnership that approves a plan of domestication pursuant to Section 1153 or the foreign limited liability partnership that approves a domestication pursuant to the law of its jurisdiction of formation.</p> <p>(10) “Domestication” means a transaction authorized by [Part] 5.</p> <p>(11) “Entity”:</p> <p>(A) means:</p> <ul style="list-style-type: none"> (i) a business corporation; (ii) a nonprofit corporation; (iii) a general partnership, <p>including a limited liability partnership;</p> <ul style="list-style-type: none"> (iv) a limited partnership, <p>including a limited liability limited partnership;</p> <ul style="list-style-type: none"> (v) a limited liability <p>company;</p> <ul style="list-style-type: none"> [(vi) a general cooperative <p>association;]</p> <ul style="list-style-type: none"> (vii) a limited cooperative <p>association;</p> <ul style="list-style-type: none"> (viii) an unincorporated <p>nonprofit association;</p> <ul style="list-style-type: none"> (ix) a statutory trust, business <p>trust, or common-law business trust; or</p> <ul style="list-style-type: none"> (x) any other person that has: <ul style="list-style-type: none"> (I) a legal existence <p>separate from any interest holder of that person; or</p> <ul style="list-style-type: none"> (II) the power to <p>acquire an interest in real property in its own name; and</p> <p>(B) does not include:</p> <ul style="list-style-type: none"> (i) an individual; (ii) a trust with a <p>predominantly donative purpose or a charitable trust;</p> <ul style="list-style-type: none"> (iii) an association or <p>relationship that is not an entity listed in subparagraph (A) and is not a partnership under the rules stated in</p>		
---	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>[Section 202(c) of the Uniform Partnership Act (1997) (Last Amended 2013)] [Section 7 of the Uniform Partnership Act (1914)] or a similar provision of the law of another jurisdiction;</p> <p style="padding-left: 40px;">(iv) a decedent's estate; or</p> <p style="padding-left: 40px;">(v) a government or a governmental subdivision, agency, or instrumentality.</p> <p>(12) "Filing entity" means an entity whose formation requires the filing of a public organic record. The term does not include a limited liability partnership.</p> <p>(13) "Foreign", with respect to an entity, means an entity governed as to its internal affairs by the law of a jurisdiction other than this state.</p> <p>(14) "Governance interest" means a right under the organic law or organic rules of an unincorporated entity, other than as a governor, agent, assignee, or proxy, to:</p> <p style="padding-left: 40px;">(A) receive or demand access to information concerning, or the books and records of, the entity;</p> <p style="padding-left: 40px;">(B) vote for or consent to the election of the governors of the entity; or</p> <p style="padding-left: 40px;">(C) receive notice of or vote on or consent to an issue involving the internal affairs of the entity.</p> <p>(15) "Governor" means:</p> <p style="padding-left: 40px;">(A) a director of a business corporation;</p> <p style="padding-left: 40px;">(B) a director or trustee of a nonprofit corporation;</p> <p style="padding-left: 40px;">(C) a general partner of a general partnership;</p> <p style="padding-left: 40px;">(D) a general partner of a limited partnership;</p> <p style="padding-left: 40px;">(E) a manager of a manager-managed limited liability company;</p> <p style="padding-left: 40px;">(F) a member of a member-managed limited liability company;</p> <p style="padding-left: 40px;">[(G) a director of a general</p>		
--	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>cooperative association;]</p> <p style="padding-left: 40px;">(H) a director of a limited cooperative association;</p> <p style="padding-left: 40px;">(I) a manager of an unincorporated nonprofit association;</p> <p style="padding-left: 40px;">(J) a trustee of a statutory trust, business trust, or common-law business trust; or</p> <p style="padding-left: 40px;">(K) any other person under whose authority the powers of an entity are exercised and under whose direction the activities and affairs of the entity are managed pursuant to the organic law and organic rules of the entity.</p> <p style="padding-left: 40px;">(16) "Interest" means:</p> <p style="padding-left: 80px;">(A) a share in a business corporation;</p> <p style="padding-left: 80px;">(B) a membership in a nonprofit corporation;</p> <p style="padding-left: 80px;">(C) a partnership interest in a general partnership;</p> <p style="padding-left: 80px;">(D) a partnership interest in a limited partnership;</p> <p style="padding-left: 80px;">(E) a membership interest in a limited liability company;</p> <p style="padding-left: 80px;">[(F) a share in a general cooperative association;]</p> <p style="padding-left: 80px;">(G) a member's interest in a limited cooperative association;</p> <p style="padding-left: 80px;">(H) a membership in an unincorporated nonprofit association;</p> <p style="padding-left: 80px;">(I) a beneficial interest in a statutory trust, business trust, or common-law business trust; or</p> <p style="padding-left: 80px;">(J) a governance interest or distributional interest in any other type of unincorporated entity.</p> <p style="padding-left: 40px;">(17) "Interest Exchange" means a transaction authorized by [Part] 3.</p> <p style="padding-left: 40px;">(18) "Interest holder" means:</p> <p style="padding-left: 80px;">(A) a shareholder of a business corporation;</p> <p style="padding-left: 80px;">(B) a member of a nonprofit</p>		
--	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>corporation;</p> <p>partnership;</p> <p>partnership;</p> <p>partnership;</p> <p>company;</p> <p>cooperative association;]</p> <p>association;</p> <p>nonprofit association;</p> <p>a statutory trust, business trust, or common-law business trust; or</p> <p>interest.</p> <p>(19) "Interest holder liability" means:</p> <p>(A) personal liability for a liability of an entity which is imposed on a person:</p> <p>(i) solely by reason of the status of the person as an interest holder; or</p> <p>(ii) by the organic rules of the entity which make one or more specified interest holders or categories of interest holders liable in their capacity as interest holders for all or specified liabilities of the entity; or</p> <p>(B) an obligation of an interest holder under the organic rules of an entity to contribute to the entity.</p> <p>(20) "Merger" means a transaction authorized by [Part] 2.</p> <p>(21) "Merging entity" means an entity that is a party to a merger and exists immediately before the merger becomes effective.</p> <p>(22) "Organic law" means the law of an entity's</p>		
---	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>jurisdiction of formation governing the internal affairs of the entity.</p> <p>(23) “Organic rules” means the public organic record and private organic rules of an entity.</p> <p>(24) “Plan” means a plan of merger, plan of interest exchange, plan of conversion, or plan of domestication.</p> <p>(25) “Plan of conversion” means a plan under Section 1142.</p> <p>(26) “Plan of domestication” means a plan under Section 1152.</p> <p>(27) “Plan of interest exchange” means a plan under Section 1132.</p> <p>(28) “Plan of merger” means a plan under Section 1122.</p> <p>(29) “Private organic rules” means the rules, whether or not in a record, that govern the internal affairs of an entity, are binding on all its interest holders, and are not part of its public organic record, if any. The term includes:</p> <p style="padding-left: 40px;">(A) the bylaws of a business corporation;</p> <p style="padding-left: 40px;">(B) the bylaws of a nonprofit corporation;</p> <p style="padding-left: 40px;">(C) the partnership agreement of a general partnership;</p> <p style="padding-left: 40px;">(D) the partnership agreement of a limited partnership;</p> <p style="padding-left: 40px;">(E) the operating agreement of a limited liability company;</p> <p style="padding-left: 40px;">[(F) the bylaws of a general cooperative association;]</p> <p style="padding-left: 40px;">(G) the bylaws of a limited cooperative association;</p> <p style="padding-left: 40px;">(H) the governing principles of an unincorporated nonprofit association; and</p> <p style="padding-left: 40px;">(I) the trust instrument of a statutory trust or similar rules of a business trust or common-law business trust.</p>		
---	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>(30) “Protected agreement” means:</p> <p style="padding-left: 40px;">(A) a record evidencing indebtedness and any related agreement in effect on [the effective date of this [act]];</p> <p style="padding-left: 40px;">(B) an agreement that is binding on an entity on [the effective date of this [act]];</p> <p style="padding-left: 40px;">(C) the organic rules of an entity in effect on [the effective date of this [act]]; or</p> <p style="padding-left: 40px;">(D) an agreement that is binding on any of the governors or interest holders of an entity on [the effective date of this [act]].</p> <p>(31) “Public organic record” means the record the filing of which by the [Secretary of State] is required to form an entity and any amendment to or restatement of that record. The term includes:</p> <p style="padding-left: 40px;">(A) the articles of incorporation of a business corporation;</p> <p style="padding-left: 40px;">(B) the articles of incorporation of a nonprofit corporation;</p> <p style="padding-left: 40px;">(C) the certificate of limited partnership of a limited partnership;</p> <p style="padding-left: 40px;">(D) the certificate of organization of a limited liability company;</p> <p style="padding-left: 40px;">[(E) the articles of incorporation of a general cooperative association;]</p> <p style="padding-left: 40px;">(F) the articles of organization of a limited cooperative association; and</p> <p style="padding-left: 40px;">(G) the certificate of trust of a statutory trust or similar record of a business trust.</p> <p>(32) “Registered foreign entity” means a foreign entity that is registered to do business in this state pursuant to a record filed by the [Secretary of State].</p> <p>(33) “Statement of conversion” means a statement under Section 1145.</p> <p>(34) “Statement of domestication” means a statement under Section 1155.</p> <p>(35) “Statement of interest exchange” means a statement under Section 1135.</p>		
---	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>(36) “Statement of merger” means a statement under Section 1125.</p> <p>(37) “Surviving entity” means the entity that continues in existence after or is created by a merger.</p> <p>(38) “Type of entity” means a generic form of entity:</p> <p style="padding-left: 40px;">(A) recognized at common law; or</p> <p style="padding-left: 40px;">(B) formed under an organic law, whether or not some entities formed under that organic law are subject to provisions of that law that create different categories of the form of entity.</p>		
<p>SECTION 1102. RELATIONSHIP OF [ARTICLE] TO OTHER LAWS.</p> <p>(a) This [article] does not authorize an act prohibited by, and does not affect the application or requirements of, law other than this [article].</p> <p>(b) A transaction effected under this [act] may not create or impair a right, duty, or obligation of a person under the statutory law of this state relating to a change in control, takeover, business combination, control-share acquisition, or similar transaction involving a domestic merging, acquired, converting, or domesticating business corporation unless:</p> <p style="padding-left: 40px;">(1) if the corporation does not survive the transaction, the transaction satisfies any requirements of the law; or</p> <p style="padding-left: 40px;">(2) if the corporation survives the transaction, the approval of the plan is by a vote of the shareholders or directors which would be sufficient to create or impair the right, duty, or obligation directly under the law.</p>		
<p>SECTION 1103. REQUIRED NOTICE OR APPROVAL.</p> <p>(a) A domestic or foreign entity that is required to give notice to, or obtain the approval of, a governmental agency or officer of this state to be a party to a merger must give the notice or obtain the approval to be a party to an interest exchange,</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>conversion, or domestication.</p> <p>(b) Property held for a charitable purpose under the law of this state by a domestic or foreign entity immediately before a transaction under this [article] becomes effective may not, as a result of the transaction, be diverted from the objects for which it was donated, granted, devised, or otherwise transferred unless, to the extent required by or pursuant to the law of this state concerning cy pres or other law dealing with nondiversion of charitable assets, the entity obtains an appropriate order of [the appropriate court] [the Attorney General] specifying the disposition of the property.</p> <p>(c) A bequest, devise, gift, grant, or promise contained in a will or other instrument of donation, subscription, or conveyance which is made to a merging entity that is not the surviving entity and which takes effect or remains payable after the merger inures to the surviving entity.</p> <p>(d) A trust obligation that would govern property if transferred to a nonsurviving entity applies to property that is transferred to the surviving entity under this section.</p>		
<p>SECTION 1104. NONEXCLUSIVITY. The fact that a transaction under this [article] produces a certain result does not preclude the same result from being accomplished in any other manner permitted by law other than this [article].</p>		
<p>SECTION 1105. REFERENCE TO EXTERNAL FACTS. A plan may refer to facts ascertainable outside the plan if the manner in which the facts will operate upon the plan is specified in the plan. The facts may include the occurrence of an event or a determination or action by a person, whether or not the event, determination, or action is within the control of a party to the transaction.</p>		
<p>SECTION 1106. APPRAISAL RIGHTS. An interest holder of a domestic merging, acquired,</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>converting, or domesticating partnership is entitled to contractual appraisal rights in connection with a transaction under this [article] to the extent provided in:</p> <ul style="list-style-type: none"> (1) the partnership's organic rules; or (2) the plan. 		
<p>[SECTION 1107. EXCLUDED ENTITIES AND TRANSACTIONS.</p> <p>(a) The following entities may not participate in a transaction under this [article]:</p> <ul style="list-style-type: none"> (1) (2). <p>(b) This [article] may not be used to effect a transaction that:</p> <ul style="list-style-type: none"> (1) (2).] 		
<p>SECTION 1121. MERGER AUTHORIZED.</p> <p>(a) By complying with this [part]:</p> <ul style="list-style-type: none"> (1) one or more domestic partnerships may merge with one or more domestic or foreign entities into a domestic or foreign surviving entity; and (2) two or more foreign entities may merge into a domestic partnership. <p>(b) By complying with the provisions of this [part] applicable to foreign entities, a foreign entity may be a party to a merger under this [part] or may be the surviving entity in such a merger if the merger is authorized by the law of the foreign entity's jurisdiction of formation.</p>		
<p>SECTION 1122. PLAN OF MERGER.</p> <p>(a) A domestic partnership may become a party to a merger under this [part] by approving a plan of merger. The plan must be in a record and contain:</p> <ul style="list-style-type: none"> (1) as to each merging entity, its name, jurisdiction of formation, and type of entity; (2) if the surviving entity is to be created in the merger, a statement to that effect and the entity's name, jurisdiction of formation, and type of entity; 		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>(3) the manner of converting the interests in each party to the merger into interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing;</p> <p>(4) if the surviving entity exists before the merger, any proposed amendments to:</p> <p>(A) its public organic record, if any; or</p> <p>(B) its private organic rules that are, or are proposed to be, in a record;</p> <p>(5) if the surviving entity is to be created in the merger:</p> <p style="padding-left: 40px;">(A) its proposed public organic record, if any; and</p> <p style="padding-left: 40px;">(B) the full text of its private organic rules that are proposed to be in a record;</p> <p style="padding-left: 40px;">(6) the other terms and conditions of the merger; and</p> <p style="padding-left: 40px;">(7) any other provision required by the law of a merging entity's jurisdiction of formation or the organic rules of a merging entity.</p> <p style="padding-left: 40px;">(b) In addition to the requirements of subsection (a), a plan of merger may contain any other provision not prohibited by law.</p>		
<p>SECTION 1123. APPROVAL OF MERGER.</p> <p>(a) A plan of merger is not effective unless it has been approved:</p> <p style="padding-left: 40px;">(1) by a domestic merging partnership, by all the partners of the partnership entitled to vote on or consent to any matter; and</p> <p style="padding-left: 40px;">(2) in a record, by each partner of a domestic merging partnership which will have interest holder liability for debts, obligations, and other liabilities that are incurred after the merger becomes effective, unless:</p> <p style="padding-left: 80px;">(A) the partnership agreement of the partnership provides in a record for the approval of a merger in which some or all of its partners become subject to interest holder liability by</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>the affirmative vote or consent of fewer than all the partners; and</p> <p style="padding-left: 40px;">(B) the partner consented in a record to or voted for that provision of the partnership agreement or became a partner after the adoption of that provision.</p> <p style="padding-left: 40px;">(b) A merger involving a domestic merging entity that is not a partnership is not effective unless the merger is approved by that entity in accordance with its organic law.</p> <p style="padding-left: 40px;">(c) A merger involving a foreign merging entity is not effective unless the merger is approved by the foreign entity in accordance with the law of the foreign entity's jurisdiction of formation.</p>		
<p>SECTION 1124. AMENDMENT OR ABANDONMENT OF PLAN OF MERGER.</p> <p style="padding-left: 40px;">(a) A plan of merger may be amended only with the consent of each party to the plan, except as otherwise provided in the plan.</p> <p style="padding-left: 40px;">(b) A domestic merging partnership may approve an amendment of a plan of merger:</p> <p style="padding-left: 80px;">(1) in the same manner as the plan was approved, if the plan does not provide for the manner in which it may be amended; or</p> <p style="padding-left: 80px;">(2) by its partners in the manner provided in the plan, but a partner that was entitled to vote on or consent to approval of the merger is entitled to vote on or consent to any amendment of the plan that will change:</p> <p style="padding-left: 40px;">(A) the amount or kind of interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing, to be received by the interest holders of any party to the plan;</p> <p style="padding-left: 40px;">(B) the public organic record, if any, or private organic rules of the surviving entity that will be in effect immediately after the merger be effective, except for changes that do not require</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>approval of the interest holders of the surviving entity under its organic law or organic rules; or</p> <p style="padding-left: 40px;">(C) any other terms or conditions of the plan, if the change would adversely affect the partner in any material respect.</p> <p>(c) After a plan of merger has been approved and before a statement of merger becomes effective, the plan may be abandoned as provided in the plan. Unless prohibited by the plan, a domestic merging partnership may abandon the plan in the same manner as the plan was approved.</p> <p>(d) If a plan of merger is abandoned after a statement of merger has been delivered to the [Secretary of State] for filing and before the statement becomes effective, a statement of abandonment, signed by a party to the plan, must be delivered to the [Secretary of State] for filing before the statement of merger becomes effective. The statement of abandonment takes effect on filing, and the merger is abandoned and does not become effective. The statement of abandonment must contain:</p> <p style="padding-left: 40px;">(1) the name of each party to the plan of merger;</p> <p style="padding-left: 40px;">(2) the date on which the statement of merger was filed by the [Secretary of State]; and</p> <p style="padding-left: 40px;">(3) a statement that the merger has been abandoned in accordance with this section.</p>		
<p>SECTION 1125. STATEMENT OF MERGER; EFFECTIVE DATE OF MERGER.</p> <p>(a) A statement of merger must be signed by each merging entity and delivered to the [Secretary of State] for filing.</p> <p>(b) A statement of merger must contain:</p> <p style="padding-left: 40px;">(1) the name, jurisdiction of formation, and type of entity of each merging entity that is not the surviving entity;</p> <p style="padding-left: 40px;">(2) the name, jurisdiction of formation, and type of entity of the surviving entity;</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>(3) a statement that the merger was approved by each domestic merging entity, if any, in accordance with this [part] and by each foreign merging entity, if any, in accordance with the law of its jurisdiction of formation;</p> <p>(4) if the surviving entity exists before the merger and is a domestic filing entity, any amendment to its public organic record approved as part of the plan of merger;</p> <p>(5) if the surviving entity is created by the merger and is a domestic filing entity, its public organic record, as an attachment; and</p> <p>(6) if the surviving entity is created by the merger and is a domestic limited liability partnership, its statement of qualification, as an attachment.</p> <p>(c) In addition to the requirements of subsection (b), a statement of merger may contain any other provision not prohibited by law.</p> <p>(d) If the surviving entity is a domestic entity, its public organic record, if any, must satisfy the requirements of the law of this state, except that the public organic record does not need to be signed.</p> <p>(e) A plan of merger that is signed by all the merging entities and meets all the requirements of subsection (b) may be delivered to the [Secretary of State] for filing instead of a statement of merger and on filing has the same effect. If a plan of merger is filed as provided in this subsection, references in this [article] to a statement of merger refer to the plan of merger filed under this subsection.</p> <p>(f) If the surviving entity is a domestic partnership, the merger becomes effective when the statement of merger is effective. In all other cases, the merger becomes effective on the later of:</p> <p>(1) the date and time provided by the organic law of the surviving entity; and</p> <p>(2) when the statement is effective.</p>		
--	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>SECTION 1126. EFFECT OF MERGER.</p> <p>(a) When a merger becomes effective:</p> <p style="padding-left: 40px;">(1) the surviving entity continues or comes into existence;</p> <p style="padding-left: 40px;">(2) each merging entity that is not the surviving entity ceases to exist;</p> <p style="padding-left: 40px;">(3) all property of each merging entity vests in the surviving entity without transfer, reversion, or impairment;</p> <p style="padding-left: 40px;">(4) all debts, obligations, and other liabilities of each merging entity are debts, obligations, and other liabilities of the surviving entity;</p> <p style="padding-left: 40px;">(5) except as otherwise provided by law or the plan of merger, all the rights, privileges, immunities, powers, and purposes of each merging entity vest in the surviving entity;</p> <p style="padding-left: 40px;">(6) if the surviving entity exists before the merger:</p> <p style="padding-left: 80px;">(A) all its property continues to be vested in it without transfer, reversion, or impairment;</p> <p style="padding-left: 80px;">(B) it remains subject to all its debts, obligations, and other liabilities; and</p> <p style="padding-left: 80px;">(C) all its rights, privileges, immunities, powers, and purposes continue to be vested in it;</p> <p style="padding-left: 40px;">(7) the name of the surviving entity may be substituted for the name of any merging entity that is a party to any pending action or proceeding;</p> <p style="padding-left: 40px;">(8) if the surviving entity exists before the merger:</p> <p style="padding-left: 80px;">(A) its public organic record, if any, is amended as provided in the statement of merger; and</p> <p style="padding-left: 80px;">(B) its private organic rules that are to be in a record, if any, are amended to the extent provided in the plan of merger;</p> <p style="padding-left: 40px;">(9) if the surviving entity is created by the merger, its private organic rules become effective</p>		
--	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>and:</p> <p style="padding-left: 40px;">(A) if it is a filing entity, its public organic record becomes effective; and</p> <p style="padding-left: 40px;">(B) if it is a limited liability partnership, its statement of qualification becomes effective; and</p> <p style="padding-left: 40px;">(10) the interests in each merging entity which are to be converted in the merger are converted, and the interest holders of those interests are entitled only to the rights provided to them under the plan of merger and to any appraisal rights they have under Section 1106 and the merging entity's organic law.</p> <p style="padding-left: 40px;">(b) Except as otherwise provided in the organic law or organic rules of a merging entity, the merger does not give rise to any rights that an interest holder, governor, or third party would have upon a dissolution, liquidation, or winding up of the merging entity.</p> <p style="padding-left: 40px;">(c) When a merger becomes effective, a person that did not have interest holder liability with respect to any of the merging entities and becomes subject to interest holder liability with respect to a domestic entity as a result of the merger has interest holder liability only to the extent provided by the organic law of that entity and only for those debts, obligations, and other liabilities that are incurred after the merger becomes effective.</p> <p style="padding-left: 40px;">(d) When a merger becomes effective, the interest holder liability of a person that ceases to hold an interest in a domestic merging partnership with respect to which the person had interest holder liability is subject to the following rules:</p> <p style="padding-left: 80px;">(1) The merger does not discharge any interest holder liability under this [act] to the extent the interest holder liability was incurred before the merger became effective.</p> <p style="padding-left: 80px;">(2) The person does not have interest holder liability under this [act] for any debt, obligation, or other liability that is incurred after the merger</p>		
---	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>becomes effective.</p> <p>(3) This [act] continues to apply to the release, collection, or discharge of any interest holder liability preserved under paragraph (1) as if the merger had not occurred and the surviving entity were the domestic merging entity.</p> <p>(4) The person has whatever rights of contribution from any other person as are provided by this [act], law other than this [act], or the partnership agreement of the domestic merging partnership with respect to any interest holder liability preserved under paragraph (1) as if the merger had not occurred.</p> <p>(e) When a merger has become effective, a foreign entity that is the surviving entity may be served with process in this state for the collection and enforcement of any debts, obligations, or other liabilities of a domestic merging partnership as provided in Section 119.</p> <p>(f) When a merger has become effective, the registration to do business in this state of any foreign merging entity that is not the surviving entity is canceled.</p>		
<p>SECTION 1131. INTEREST EXCHANGE AUTHORIZED.</p> <p>(a) By complying with this [part]:</p> <p>(1) a domestic partnership may acquire all of one or more classes or series of interests of another domestic entity or a foreign entity in exchange for interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing; or</p> <p>(2) all of one or more classes or series of interests of a domestic partnership may be acquired by another domestic entity or a foreign entity in exchange for interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing.</p> <p>(b) By complying with the provisions of this</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>[part] applicable to foreign entities, a foreign entity may be the acquiring or acquired entity in an interest exchange under this [part] if the interest exchange is authorized by the law of the foreign entity's jurisdiction of formation.</p> <p>(c) If a protected agreement contains a provision that applies to a merger of a domestic partnership but does not refer to an interest exchange, the provision applies to an interest exchange in which the domestic partnership is the acquired entity as if the interest exchange were a merger until the provision is amended after [the effective date of this [act]].</p>		
<p>SECTION 1132. PLAN OF INTEREST EXCHANGE.</p> <p>(a) A domestic partnership may be the acquired entity in an interest exchange under this [part] by approving a plan of interest exchange. The plan must be in a record and contain:</p> <ul style="list-style-type: none"> (1) the name of the acquired entity; (2) the name, jurisdiction of formation, and type of entity of the acquiring entity; (3) the manner of converting the interests in the acquired entity into interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing; (4) any proposed amendments to the partnership agreement that are, or are proposed to be, in a record of the acquired entity; (5) the other terms and conditions of the interest exchange; and (6) any other provision required by the law of this state or the partnership agreement of the acquired entity. <p>(b) In addition to the requirements of subsection (a), a plan of interest exchange may contain any other provision not prohibited by law.</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>SECTION 1133. APPROVAL OF INTEREST EXCHANGE.</p> <p>(a) A plan of interest exchange is not effective unless it has been approved:</p> <p style="padding-left: 40px;">(1) by all the partners of a domestic acquired partnership entitled to vote on or consent to any matter; and</p> <p style="padding-left: 40px;">(2) in a record, by each partner of the domestic acquired partnership that will have interest holder liability for debts, obligations, and other liabilities that are incurred after the interest exchange becomes effective, unless:</p> <p style="padding-left: 80px;">(A) the partnership agreement of the partnership provides in a record for the approval of an interest exchange or a merger in which some or all its partners become subject to interest holder liability by the affirmative vote or consent of fewer than all the partners; and</p> <p style="padding-left: 80px;">(B) the partner consented in a record to or voted for that provision of the partnership agreement or became a partner after the adoption of that provision.</p> <p>(b) An interest exchange involving a domestic acquired entity that is not a partnership is not effective unless it is approved by the domestic entity in accordance with its organic law.</p> <p>(c) An interest exchange involving a foreign acquired entity is not effective unless it is approved by the foreign entity in accordance with the law of the foreign entity's jurisdiction of formation.</p> <p>(d) Except as otherwise provided in its organic law or organic rules, the interest holders of the acquiring entity are not required to approve the interest exchange.</p>		
<p>SECTION 1134. AMENDMENT OR ABANDONMENT OF PLAN OF INTEREST EXCHANGE.</p> <p>(a) A plan of interest exchange may be amended only with the consent of each party to the</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>plan, except as otherwise provided in the plan.</p> <p>(b) A domestic acquired partnership may approve an amendment of a plan of interest exchange:</p> <p style="padding-left: 40px;">(1) in the same manner as the plan was approved, if the plan does not provide for the manner in which it may be amended; or</p> <p style="padding-left: 40px;">(2) by its partners in the manner provided in the plan, but a partner that was entitled to vote on or consent to approval of the interest exchange is entitled to vote on or consent to any amendment of the plan that will change:</p> <p style="padding-left: 80px;">(A) the amount or kind of interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing, to be received by any of the partners of the acquired partnership under the plan;</p> <p style="padding-left: 80px;">(B) the partnership agreement of the acquired partnership that will be in effect immediately after the interest exchange becomes effective, except for changes that do not require approval of the partners of the acquired partnership under this [act] or the partnership agreement; or</p> <p style="padding-left: 80px;">(C) any other terms or conditions of the plan, if the change would adversely affect the partner in any material respect.</p> <p>(c) After a plan of interest exchange has been approved and before a statement of interest exchange becomes effective, the plan may be abandoned as provided in the plan. Unless prohibited by the plan, a domestic acquired partnership may abandon the plan in the same manner as the plan was approved.</p> <p>(d) If a plan of interest exchange is abandoned after a statement of interest exchange has been delivered to the [Secretary of State] for filing and before the statement becomes effective, a statement of abandonment, signed by the acquired partnership, must be delivered to the [Secretary of State] for filing before the statement of interest exchange becomes effective. The statement of abandonment takes effect on filing,</p>		
--	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>and the interest exchange is abandoned and does not become effective. The statement of abandonment must contain:</p> <p style="padding-left: 40px;">(1) the name of the acquired partnership;</p> <p style="padding-left: 40px;">(2) the date on which the statement of interest exchange was filed by the [Secretary of State]; and</p> <p style="padding-left: 40px;">(3) a statement that the interest exchange has been abandoned in accordance with this section.</p>		
<p>SECTION 1135. STATEMENT OF INTEREST EXCHANGE; EFFECTIVE DATE OF INTEREST EXCHANGE.</p> <p style="padding-left: 20px;">(a) A statement of interest exchange must be signed by a domestic acquired partnership and delivered to the [Secretary of State] for filing.</p> <p style="padding-left: 20px;">(b) A statement of interest exchange must contain:</p> <p style="padding-left: 40px;">(1) the name of the acquired partnership;</p> <p style="padding-left: 40px;">(2) the name, jurisdiction of formation, and type of entity of the acquiring entity; and</p> <p style="padding-left: 40px;">(3) a statement that the plan of interest exchange was approved by the acquired partnership in accordance with this [part].</p> <p style="padding-left: 20px;">(c) In addition to the requirements of subsection (b), a statement of interest exchange may contain any other provision not prohibited by law.</p> <p style="padding-left: 20px;">(d) A plan of interest exchange that is signed by a domestic acquired partnership and meets all the requirements of subsection (b) may be delivered to the [Secretary of State] for filing instead of a statement of interest exchange and on filing has the same effect. If a plan of interest exchange is filed as provided in this subsection, references in this [article] to a statement of interest exchange refer to the plan of interest exchange filed under this subsection.</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

(e) An interest exchange becomes effective when the statement of interest exchange is effective.		
<p>SECTION 1136. EFFECT OF INTEREST EXCHANGE.</p> <p>(a) When an interest exchange in which the acquired entity is a domestic partnership becomes effective:</p> <p style="padding-left: 40px;">(1) the interests in the acquired partnership which are the subject of the interest exchange are converted, and the partners holding those interests are entitled only to the rights provided to them under the plan of interest exchange and to any appraisal rights they have under Section 1106;</p> <p style="padding-left: 40px;">(2) the acquiring entity becomes the interest holder of the interests in the acquired partnership stated in the plan of interest exchange to be acquired by the acquiring entity; and</p> <p style="padding-left: 40px;">(3) the provisions of the partnership agreement of the acquired partnership that are to be in a record, if any, are amended to the extent provided in the plan of interest exchange.</p> <p>(b) Except as otherwise provided in the partnership agreement of a domestic acquired partnership, the interest exchange does not give rise to any rights that a partner or third party would have upon a dissolution, liquidation, or winding up of the acquired partnership.</p> <p>(c) When an interest exchange becomes effective, a person that did not have interest holder liability with respect to a domestic acquired partnership and becomes subject to interest holder liability with respect to a domestic entity as a result of the interest exchange has interest holder liability only to the extent provided by the organic law of the entity and only for those debts, obligations, and other liabilities that are incurred after the interest exchange becomes effective.</p> <p>(d) When an interest exchange becomes effective, the interest holder liability of a person that</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>ceases to hold an interest in a domestic acquired partnership with respect to which the person had interest holder liability is subject to the following rules:</p> <p>(1) The interest exchange does not discharge any interest holder liability under this [act] to the extent the interest holder liability was incurred before the interest exchange became effective.</p> <p>(2) The person does not have interest holder liability under this [act] for any debt, obligation, or other liability that is incurred after the interest exchange becomes effective.</p> <p>(3) This [act] continues to apply to the release, collection, or discharge of any interest holder liability preserved under paragraph (1) as if the interest exchange had not occurred.</p> <p>(4) The person has whatever rights of contribution from any other person as are provided by this [act], law other than this [act], or the partnership agreement of the domestic acquired partnership with respect to any interest holder liability preserved under paragraph (1) as if the interest exchange had not occurred.</p>		
<p>SECTION 1141. CONVERSION AUTHORIZED.</p> <p>(a) By complying with this [part], a domestic partnership may become:</p> <p>(1) a domestic entity that is a different type of entity; or</p> <p>(2) a foreign entity that is a different type of entity, if the conversion is authorized by the law of the foreign entity's jurisdiction of formation.</p> <p>(b) By complying with the provisions of this [part] applicable to foreign entities, a foreign entity that is not a foreign partnership may become a domestic partnership if the conversion is authorized by the law of the foreign entity's jurisdiction of formation.</p> <p>(c) If a protected agreement contains a provision that applies to a merger of a domestic partnership but does not refer to a conversion, the</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

provision applies to a conversion of the partnership as if the conversion were a merger until the provision is amended after [the effective date of this [act]].		
<p>SECTION 1142. PLAN OF CONVERSION.</p> <p>(a) A domestic partnership may convert to a different type of entity under this [part] by approving a plan of conversion. The plan must be in a record and contain:</p> <ul style="list-style-type: none"> (1) the name of the converting partnership; (2) the name, jurisdiction of formation, and type of entity of the converted entity; (3) the manner of converting the interests in the converting partnership into interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing; (4) the proposed public organic record of the converted entity if it will be a filing entity; (5) the full text of the private organic rules of the converted entity which are proposed to be in a record; (6) the other terms and conditions of the conversion; and (7) any other provision required by the law of this state or the partnership agreement of the converting partnership. <p>(b) In addition to the requirements of subsection (a), a plan of conversion may contain any other provision not prohibited by law.</p>		
<p>SECTION 1143. APPROVAL OF CONVERSION.</p> <p>(a) A plan of conversion is not effective unless it has been approved:</p> <ul style="list-style-type: none"> (1) by a domestic converting partnership, by all the partners of the partnership entitled to vote on or consent to any matter; and (2) in a record, by each partner of a 		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>domestic converting partnership which will have interest holder liability for debts, obligations, and other liabilities that are incurred after the conversion becomes effective, unless:</p> <p style="padding-left: 40px;">(A) the partnership agreement of the partnership provides in a record for the approval of a conversion or a merger in which some or all of its partners become subject to interest holder liability by the affirmative vote or consent of fewer than all the partners; and</p> <p style="padding-left: 40px;">(B) the partner voted for or consented in a record to that provision of the partnership agreement or became a partner after the adoption of that provision.</p> <p style="padding-left: 40px;">(b) A conversion involving a domestic converting entity that is not a partnership is not effective unless it is approved by the domestic converting entity in accordance with its organic law.</p> <p style="padding-left: 40px;">(c) A conversion of a foreign converting entity is not effective unless it is approved by the foreign entity in accordance with the law of the foreign entity's jurisdiction of formation.</p>		
<p>SECTION 1144. AMENDMENT OR ABANDONMENT OF PLAN OF CONVERSION.</p> <p style="padding-left: 40px;">(a) A plan of conversion of a domestic converting partnership may be amended:</p> <p style="padding-left: 80px;">(1) in the same manner as the plan was approved, if the plan does not provide for the manner in which it may be amended; or</p> <p style="padding-left: 80px;">(2) by its partners in the manner provided in the plan, but a partner that was entitled to vote on or consent to approval of the conversion is entitled to vote on or consent to any amendment of the plan that will change:</p> <p style="padding-left: 80px;">(A) the amount or kind of interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing, to be received by any of</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>the partners of the converting partnership under the plan;</p> <p style="padding-left: 40px;">(B) the public organic record, if any, or private organic rules of the converted entity which will be in effect immediately after the conversion becomes effective, except for changes that do not require approval of the interest holders of the converted entity under its organic law or organic rules; or</p> <p style="padding-left: 40px;">(C) any other terms or conditions of the plan, if the change would adversely affect the partner in any material respect.</p> <p>(b) After a plan of conversion has been approved by a domestic converting partnership and before a statement of conversion becomes effective, the plan may be abandoned as provided in the plan. Unless prohibited by the plan, a domestic converting partnership may abandon the plan in the same manner as the plan was approved.</p> <p>(c) If a plan of conversion is abandoned after a statement of conversion has been delivered to the [Secretary of State] for filing and before the statement becomes effective, a statement of abandonment, signed by the converting entity, must be delivered to the [Secretary of State] for filing before the statement of conversion becomes effective. The statement of abandonment takes effect on filing, and the conversion is abandoned and does not become effective. The statement of abandonment must contain:</p> <p style="padding-left: 40px;">(1) the name of the converting partnership;</p> <p style="padding-left: 40px;">(2) the date on which the statement of conversion was filed by the [Secretary of State]; and</p> <p style="padding-left: 40px;">(3) a statement that the conversion has been abandoned in accordance with this section.</p>		
<p>SECTION 1145. STATEMENT OF CONVERSION; EFFECTIVE DATE OF CONVERSION.</p> <p>(a) A statement of conversion must be signed</p>		

RUPA vs. NC UPA Comparaison Chart (October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>by the converting entity and delivered to the [Secretary of State] for filing.</p> <p>(b) A statement of conversion must contain:</p> <p>(1) the name, jurisdiction of formation, and type of entity of the converting entity;</p> <p>(2) the name, jurisdiction of formation, and type of entity of the converted entity;</p> <p>(3) if the converting entity is a domestic partnership, a statement that the plan of conversion was approved in accordance with this [part] or, if the converting entity is a foreign entity, a statement that the conversion was approved by the foreign entity in accordance with the law of its jurisdiction of formation;</p> <p>(4) if the converted entity is a domestic filing entity, its public organic record, as an attachment; and</p> <p>(5) if the converted entity is a domestic limited liability partnership, its statement of qualification, as an attachment.</p> <p>(c) In addition to the requirements of subsection (b), a statement of conversion may contain any other provision not prohibited by law.</p> <p>(d) If the converted entity is a domestic entity, its public organic record, if any, must satisfy the requirements of the law of this state, except that the public organic record does not need to be signed.</p> <p>(e) A plan of conversion that is signed by a domestic converting partnership and meets all the requirements of subsection (b) may be delivered to the [Secretary of State] for filing instead of a statement of conversion and on filing has the same effect. If a plan of conversion is filed as provided in this subsection, references in this [article] to a statement of conversion refer to the plan of conversion filed under this subsection.</p> <p>(f) If the converted entity is a domestic partnership, the conversion becomes effective when the statement of conversion is effective. In all other cases,</p>		
---	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

the conversion becomes effective on the later of: (1) the date and time provided by the organic law of the converted entity; and (2) when the statement is effective.		
<p>SECTION 1146. EFFECT OF CONVERSION.</p> <p>(a) When a conversion becomes effective:</p> <p> (1) the converted entity is:</p> <p> (A) organized under and subject to the organic law of the converted entity; and</p> <p> (B) the same entity without interruption as the converting entity;</p> <p> (2) all property of the converting entity continues to be vested in the converted entity without transfer, reversion, or impairment;</p> <p> (3) all debts, obligations, and other liabilities of the converting entity continue as debts, obligations, and other liabilities of the converted entity;</p> <p> (4) except as otherwise provided by law or the plan of conversion, all the rights, privileges, immunities, powers, and purposes of the converting entity remain in the converted entity;</p> <p> (5) the name of the converted entity may be substituted for the name of the converting entity in any pending action or proceeding;</p> <p> (6) if the converted entity is a limited liability partnership, its statement of qualification becomes effective;</p> <p> (7) the provisions of the partnership agreement of the converted entity which are to be in a record, if any, approved as part of the plan of conversion become effective; and</p> <p> (8) the interests in the converting entity are converted, and the interest holders of the converting entity are entitled only to the rights provided to them under the plan of conversion and to any appraisal rights they have under Section 1106.</p> <p>(b) Except as otherwise provided in the partnership agreement of a domestic converting</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>partnership, the conversion does not give rise to any rights that a partner or third party would have upon a dissolution, liquidation, or winding up of the converting entity.</p> <p>(c) When a conversion becomes effective, a person that did not have interest holder liability with respect to the converting entity and becomes subject to interest holder liability with respect to a domestic entity as a result of the conversion has interest holder liability only to the extent provided by the organic law of the entity and only for those debts, obligations, and other liabilities that are incurred after the conversion becomes effective.</p> <p>(d) When a conversion becomes effective, the interest holder liability of a person that ceases to hold an interest in a domestic converting partnership with respect to which the person had interest holder liability is subject to the following rules:</p> <p>(1) The conversion does not discharge any interest holder liability under this [act] to the extent the interest holder liability was incurred before the conversion became effective.</p> <p>(2) The person does not have interest holder liability under this [act] for any debt, obligation, or other liability that is incurred after the conversion becomes effective.</p> <p>(3) This [act] continues to apply to the release, collection, or discharge of any interest holder liability preserved under paragraph (1) as if the conversion had not occurred.</p> <p>(4) The person has whatever rights of contribution from any other person as are provided by this [act], law other than this [act], or the organic rules of the converting entity with respect to any interest holder liability preserved under paragraph (1) as if the conversion had not occurred.</p> <p>(e) When a conversion has become effective, a foreign entity that is the converted entity may be served with process in this state for the collection and</p>		
--	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>enforcement of any of its debts, obligations, and other liabilities as provided in Section 119.</p> <p>(f) If the converting entity is a registered foreign entity, its registration to do business in this state is canceled when the conversion becomes effective.</p> <p>(g) A conversion does not require the entity to wind up its affairs and does not constitute or cause the dissolution of the entity.</p>		
<p>SECTION 1151. DOMESTICATION AUTHORIZED.</p> <p>(a) By complying with this [part], a domestic limited liability partnership may become a foreign limited liability partnership if the domestication is authorized by the law of the foreign jurisdiction.</p> <p>(b) By complying with the provisions of this [part] applicable to foreign limited liability partnerships, a foreign limited liability partnership may become a domestic limited liability partnership if the domestication is authorized by the law of the foreign limited liability partnership's jurisdiction of formation.</p> <p>(c) If a protected agreement contains a provision that applies to a merger of a domestic limited liability partnership but does not refer to a domestication, the provision applies to a domestication of the limited liability partnership as if the domestication were a merger until the provision is amended after [the effective date of this [act]].</p>		
<p>SECTION 1152. PLAN OF DOMESTICATION.</p> <p>(a) A domestic limited liability partnership may become a foreign limited liability partnership in a domestication by approving a plan of domestication. The plan must be in a record and contain:</p> <p style="padding-left: 40px;">(1) the name of the domesticating limited liability partnership;</p> <p style="padding-left: 40px;">(2) the name and jurisdiction of formation of the domesticated limited liability partnership;</p> <p style="padding-left: 40px;">(3) the manner of converting the</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>interests in the domesticating limited liability partnership into interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing;</p> <p>(4) the proposed statement of qualification of the domesticated limited liability partnership;</p> <p>(5) the full text of the provisions of the partnership agreement of the domesticated limited liability partnership that are proposed to be in a record;</p> <p>(6) the other terms and conditions of the domestication; and</p> <p>(7) any other provision required by the law of this state or the partnership agreement of the domesticating limited liability partnership.</p> <p>(b) In addition to the requirements of subsection (a), a plan of domestication may contain any other provision not prohibited by law.</p>		
<p>SECTION 1153. APPROVAL OF DOMESTICATION.</p> <p>(a) A plan of domestication of a domestic domesticating limited liability partnership is not effective unless it has been approved:</p> <p>(1) by all the partners entitled to vote on or consent to any matter; and</p> <p>(2) in a record, by each partner that will have interest holder liability for debts, obligations, and other liabilities that are incurred after the domestication becomes effective, unless:</p> <p>(A) the partnership agreement of the domesticating partnership in a record provides for the approval of a domestication or merger in which some or all of its partners become subject to interest holder liability by the affirmative vote or consent of fewer than all the partners; and</p> <p>(B) the partner voted for or consented in a record to that provision of the partnership agreement or became a partner after the</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>adoption of that provision.</p> <p>(b) A domestication of a foreign domesticating limited liability partnership is not effective unless it is approved in accordance with the law of the foreign limited liability partnership's jurisdiction of formation.</p>		
<p>SECTION 1154. AMENDMENT OR ABANDONMENT OF PLAN OF DOMESTICATION.</p> <p>(a) A plan of domestication of a domestic domesticating limited liability partnership may be amended:</p> <p>(1) in the same manner as the plan was approved, if the plan does not provide for the manner in which it may be amended; or</p> <p>(2) by its partners in the manner provided in the plan, but a partner that was entitled to vote on or consent to approval of the domestication is entitled to vote on or consent to any amendment of the plan that will change:</p> <p>(A) the amount or kind of interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing, to be received by any of the partners of the domesticating limited liability partnership under the plan;</p> <p>(B) the partnership agreement of the domesticated limited liability partnership that will be in effect immediately after the domestication becomes effective, except for changes that do not require approval of the partners of the domesticated limited liability partnership under its organic law or partnership agreement; or</p> <p>(C) any other terms or conditions of the plan, if the change would adversely affect the partner in any material respect.</p> <p>(b) After a plan of domestication has been approved by a domestic domesticating limited liability partnership and before a statement of domestication becomes effective, the plan may be abandoned as</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>provided in the plan. Unless prohibited by the plan, a domestic domesticating limited liability partnership may abandon the plan in the same manner as the plan was approved.</p> <p>(c) If a plan of domestication is abandoned after a statement of domestication has been delivered to the [Secretary of State] for filing and before the statement becomes effective, a statement of abandonment, signed by the domesticating limited liability partnership, must be delivered to the [Secretary of State] for filing before the statement of domestication becomes effective. The statement of abandonment takes effect on filing, and the domestication is abandoned and does not become effective. The statement of abandonment must contain:</p> <ul style="list-style-type: none"> (1) the name of the domesticating limited liability partnership; (2) the date on which the statement of domestication was filed by the [Secretary of State]; and (3) a statement that the domestication has been abandoned in accordance with this section. 		
<p>SECTION 1155. STATEMENT OF DOMESTICATION; EFFECTIVE DATE OF DOMESTICATION.</p> <p>(a) A statement of domestication must be signed by the domesticating limited liability partnership and delivered to the [Secretary of State] for filing.</p> <p>(b) A statement of domestication must contain:</p> <ul style="list-style-type: none"> (1) the name and jurisdiction of formation of the domesticating limited liability partnership; (2) the name and jurisdiction of formation of the domesticated limited liability partnership; (3) if the domesticating limited liability partnership is a domestic limited liability partnership, a statement that the plan of domestication was approved 		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>in accordance with this [part] or, if the domesticating limited liability partnership is a foreign limited liability partnership, a statement that the domestication was approved in accordance with the law of its jurisdiction of formation; and</p> <p>(4) the statement of qualification of the domesticated limited liability partnership, as an attachment.</p> <p>(c) In addition to the requirements of subsection (b), a statement of domestication may contain any other provision not prohibited by law.</p> <p>(d) The statement of qualification of a domesticated domestic limited liability partnership must satisfy the requirements of this [act], but the statement does not need to be signed.</p> <p>(e) A plan of domestication that is signed by a domesticating domestic limited liability partnership and meets all the requirements of subsection (b) may be delivered to the [Secretary of State] for filing instead of a statement of domestication and on filing has the same effect. If a plan of domestication is filed as provided in this subsection, references in this [article] to a statement of domestication refer to the plan of domestication filed under this subsection.</p> <p>(f) If the domesticated entity is a domestic partnership, the domestication becomes effective when the statement of domestication is effective. If the domesticated entity is a foreign partnership, the domestication becomes effective on the later of:</p> <p>(1) the date and time provided in the organic law of the domesticated entity; and</p> <p>(2) when the statement is effective.</p>		
<p>SECTION 1156. EFFECT OF DOMESTICATION.</p> <p>(a) When a domestication becomes effective:</p> <p>(1) the domesticated entity is:</p> <p>(A) organized under and subject to the organic law of the domesticated entity; and</p>		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>(B) the same entity without interruption as the domesticating entity;</p> <p>(2) all property of the domesticating entity continues to be vested in the domesticated entity without transfer, reversion, or impairment;</p> <p>(3) all debts, obligations, and other liabilities of the domesticating entity continue as debts, obligations, and other liabilities of the domesticated entity;</p> <p>(4) except as otherwise provided by law or the plan of domestication, all the rights, privileges, immunities, powers, and purposes of the domesticating entity remain in the domesticated entity;</p> <p>(5) the name of the domesticated entity may be substituted for the name of the domesticating entity in any pending action or proceeding;</p> <p>(6) the statement of qualification of the domesticated entity becomes effective;</p> <p>(7) the provisions of the partnership agreement of the domesticated entity that are to be in a record, if any, approved as part of the plan of domestication become effective; and</p> <p>(8) the interests in the domesticating entity are converted to the extent and as approved in connection with the domestication, and the partners of the domesticating entity are entitled only to the rights provided to them under the plan of domestication and to any appraisal rights they have under Section 1106.</p> <p>(b) Except as otherwise provided in the organic law or partnership agreement of the domesticating limited liability partnership, the domestication does not give rise to any rights that a partner or third party would otherwise have upon a dissolution, liquidation, or winding up of the domesticating partnership.</p> <p>(c) When a domestication becomes effective, a person that did not have interest holder liability with respect to the domesticating limited liability partnership and becomes subject to interest holder liability with</p>		
--	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

<p>respect to a domestic limited liability partnership as a result of the domestication has interest holder liability only to the extent provided by this [act] and only for those debts, obligations, and other liabilities that are incurred after the domestication becomes effective.</p> <p>(d) When a domestication becomes effective, the interest holder liability of a person that ceases to hold an interest in a domestic domesticating limited liability partnership with respect to which the person had interest holder liability is subject to the following rules:</p> <p>(1) The domestication does not discharge any interest holder liability under this [act] to the extent the interest holder liability was incurred before the domestication became effective.</p> <p>(2) A person does not have interest holder liability under this [act] for any debt, obligation, or other liability that is incurred after the domestication becomes effective.</p> <p>(3) This [act] continues to apply to the release, collection, or discharge of any interest holder liability preserved under paragraph (1) as if the domestication had not occurred.</p> <p>(4) A person has whatever rights of contribution from any other person as are provided by this [act], law other than this [act], or the partnership agreement of the domestic domesticating limited liability partnership with respect to any interest holder liability preserved under paragraph (1) as if the domestication had not occurred.</p> <p>(e) When a domestication becomes effective, a foreign limited liability partnership that is the domesticated partnership may be served with process in this state for the collection and enforcement of any of its debts, obligations, and other liabilities as provided in Section 119.</p> <p>(f) If the domesticating limited liability partnership is a registered foreign entity, the registration of the partnership is canceled when the</p>		
--	--	--

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

domestication becomes effective. (g) A domestication does not require a domestic domesticating limited liability partnership to wind up its business and does not constitute or cause the dissolution of the partnership.		
SECTION 1201. UNIFORMITY OF APPLICATION AND CONSTRUCTION. In applying and construing this uniform act, consideration must be given to the need to promote uniformity of the law with respect to its subject matter among states that enact it.		
SECTION 1202. RELATION TO ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT. This [act] modifies, limits, and supersedes the Electronic Signatures in Global and National Commerce Act, 15 U.S.C. Section 7001 et seq., but does not modify, limit, or supersede Section 101(c) of that act, 15 U.S.C. Section 7001(c), or authorize electronic delivery of any of the notices described in Section 103(b) of that act, 15 U.S.C. Section 7003(b).		
SECTION 1203. SAVINGS CLAUSE. This [act] does not affect an action commenced, proceeding brought, or right accrued before [the effective date of this [act]].		
[SECTION 1204. SEVERABILITY CLAUSE. If any provision of this [act] or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this [act] which can be given effect without the invalid provision or application, and to this end the provisions of this [act] are severable.]		
SECTION 1205. REPEALS. The following are repealed: (1) [the state partnership act as [amended, and as] in effect immediately before [the effective date of this [act]]]. (2) (3)		
SECTION 1206. EFFECTIVE DATE. This [act]		

RUPA vs. NC UPA Comparaison Chart
(October 2022)

Concepts Highlighted in Yellow are Similar
Concepts Highlighted in Red Differ

takes effect		
----------------------	--	--