

By: Representative Warren

To: Judiciary A

HOUSE BILL NO. 774

1 AN ACT TO REENACT SECTIONS 79-12-1 THROUGH 79-12-119,
2 MISSISSIPPI CODE OF 1972, WHICH CONSTITUTE THE MISSISSIPPI UNIFORM
3 PARTNERSHIP LAW; TO AMEND SECTION 1207, CHAPTER 458, LAWS OF 2004,
4 TO EXTEND THE REPEALER ON THE MISSISSIPPI UNIFORM PARTNERSHIP LAW;
5 AND FOR RELATED PURPOSES.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

7 **SECTION 1.** Section 79-12-1, Mississippi Code of 1972, is
8 reenacted as follows:

9 79-12-1. This chapter may be cited as the Mississippi
10 Uniform Partnership Law.

11 **SECTION 2.** Section 79-12-3, Mississippi Code of 1972, is
12 reenacted as follows:

13 79-12-3. In this chapter, "court" includes every court and
14 judge having jurisdiction in the case.

15 "Business" includes every trade, occupation or profession.

16 "Person" includes individuals, partnerships, corporations and
17 other associations.

18 "Bankrupt" includes bankrupt under the Federal Bankruptcy Act
19 or insolvent under any state insolvent act.

20 "Conveyance" includes every assignment, lease, mortgage or
21 encumbrance.

22 "Foreign limited liability partnership" means an entity that
23 is a limited liability partnership or registered limited liability
24 partnership organized under laws of a state other than the laws of
25 this state, or under the laws of any foreign country, that affords
26 to each of its partners, pursuant to the laws under which it is
27 organized, limited liability with respect to all or a portion of
28 the liabilities of the entity.

29 "Limited liability partnership" means a partnership formed
30 and existing under the laws of this state and registered under
31 Section 79-12-87.

32 "Real property" includes land and any interest or estate in
33 land.

34 "Electronic transmission" or "electronically transmitted"
35 means any process of communication not directly involving the
36 physical transfer of paper that is suitable for the retention,
37 retrieval and reproduction of information by the recipient.

38 "Deliver" or "delivery" means any method of delivery used in
39 conventional commercial practice, including delivery by hand,
40 mail, commercial delivery and electronic transmission. If
41 delivery is to the Secretary of State, delivery may be made by
42 electronic transmission, if made to the extent and the manner
43 permitted by the Secretary of State.

44 "Sign" or "signature" includes any manual, facsimile,
45 conformed or electronic signature.

46 **SECTION 3.** Section 79-12-5, Mississippi Code of 1972, is
47 reenacted as follows:

48 79-12-5. (1) A person has "knowledge" of a fact within the
49 meaning of this chapter not only when he has actual knowledge
50 thereof, but also when he has knowledge of such other facts as in
51 the circumstances shows bad faith.

52 (2) A person has "notice" of a fact within the meaning of
53 this chapter when the person who claims the benefit of the notice:

54 (a) States the fact to such person, or

55 (b) Delivers a written statement of the fact to such
56 person or to a proper person at his place of business or
57 residence, or

58 (c) By other method of delivery or by telephone, voice
59 mail or other electronic means at his place of business or
60 residence.

61 **SECTION 4.** Section 79-12-7, Mississippi Code of 1972, is
62 reenacted as follows:

63 79-12-7. (1) The rule that statutes in derogation of the
64 common law are to be strictly construed shall have no application
65 to this chapter.

66 (2) The law of estoppel shall apply under this chapter.

67 (3) The law of agency shall apply under this chapter.

68 (4) This chapter shall be so interpreted and construed as to
69 effect its general purpose to make uniform the law of those states
70 which enact it.

71 (5) This chapter shall not be construed so as to impair the
72 obligations of any contract existing when the chapter goes into
73 effect, nor to affect any action or proceedings begun or right
74 accrued before this chapter takes effect except as provided in
75 Section 79-12-15(4).

76 (6) This chapter shall not apply to business or professional
77 corporations.

78 **SECTION 5.** Section 79-12-9, Mississippi Code of 1972, is
79 reenacted as follows:

80 79-12-9. In any case not provided for in this chapter the
81 rules of law and equity, including the law merchant, shall govern.

82 **SECTION 6.** Section 79-12-11, Mississippi Code of 1972, is
83 reenacted as follows:

84 79-12-11. A partnership is an association of two (2) or more
85 persons to carry on as co-owners a business for profit and
86 includes limited liability partnerships and foreign limited
87 liability partnerships.

88 But any association formed under any other statute of this
89 state, or any statute adopted by authority, other than the
90 authority of this state, is not a partnership under this chapter,
91 unless such association would have been a partnership in this
92 state prior to the adoption of this chapter; but this chapter

93 shall apply to limited partnerships except insofar as the statutes
94 relating to such partnerships are inconsistent herewith.

95 **SECTION 7.** Section 79-12-13, Mississippi Code of 1972, is
96 reenacted as follows:

97 79-12-13. In determining whether a partnership exists, these
98 rules shall apply:

99 (1) Except as provided by Section 79-12-31 persons who are
100 not partners as to each other are not partners as to third
101 persons.

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

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

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

114 (a) As a debt by installments or otherwise,

115 (b) As wages of an employee or rent to a landlord,

116 (c) As an annuity to a widow or representative of a
117 deceased partner,

118 (d) As interest on a loan, though the amount of payment
119 varies with the profits of the business,

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

122 (5) Operation of a mineral property under a joint operating
123 agreement does not of itself establish a partnership.

124 **SECTION 8.** Section 79-12-15, Mississippi Code of 1972, is
125 reenacted as follows:

126 79-12-15. (1) All property originally brought into the
127 partnership stock or subsequently acquired by purchase or
128 otherwise, on account of the partnership, is partnership property.

129 (2) Unless the contrary intention appears, property acquired
130 with partnership funds is partnership property.

131 (3) Any estate in real property may be acquired in the
132 partnership name. Title so acquired can be conveyed only in the
133 partnership name.

134 (4) A conveyance to a partnership in the partnership name,
135 though without words of inheritance, passes the entire estate of
136 the grantor unless a contrary intent appears. This subsection (4)
137 shall apply to all conveyances to a partnership in the partnership
138 name heretofore made, provided, however, any person having a cause
139 of action, because of such conveyance as of April 1, 1977, may
140 commence suit on such cause of action within one (1) year of said
141 date, unless such cause of action be sooner barred by existing
142 law, and not afterwards.

143 **SECTION 9.** Section 79-12-17, Mississippi Code of 1972, is
144 reenacted as follows:

145 79-12-17. (1) Every partner is an agent of the partnership
146 for the purpose of its business, and the act of every partner,
147 including the execution in the partnership name of any instrument,
148 for apparently carrying on in the usual way the business of the
149 partnership of which he is a member binds the partnership, unless
150 the partner so acting has in fact no authority to act for the
151 partnership in the particular matter, and the person with whom he
152 is dealing has knowledge of the fact that he has no such
153 authority.

154 (2) An act of the partner which is not apparently for the
155 carrying on of the business of the partnership in the usual way
156 does not bind the partnership unless authorized by the other
157 partners.

158 (3) Unless authorized by the other partners or unless they
159 have abandoned the business, one or more but less than all the
160 partners have no authority to:

161 (a) Assign the partnership property in trust for
162 creditors or on the assignee's promise to pay the debts of the
163 partnership,

164 (b) Dispose of the goodwill of the business,

165 (c) Do any other act which would make it impossible to
166 carry on the ordinary business of a partnership,

167 (d) Confess a judgment,

168 (e) Submit a partnership claim or liability to
169 arbitration or reference.

170 (4) No act of a partner in contravention of a restriction on
171 authority shall bind the partnership to persons having knowledge
172 of the restriction.

173 **SECTION 10.** Section 79-12-19, Mississippi Code of 1972, is
174 reenacted as follows:

175 79-12-19. (1) Where title to real property is in the
176 partnership name, any partner may convey title to such property by
177 a conveyance executed in the partnership name; but the partnership
178 may recover such property unless the partner's act binds the
179 partnership under the provisions of paragraph (1) of Section
180 79-12-17, or unless such property has been conveyed by the grantee
181 or a person claiming through such grantee to a holder for value
182 without knowledge that the partner, in making the conveyance, has
183 exceeded his authority.

184 (2) Where title to real property is in the name of the
185 partnership, a conveyance executed by a partner, in his own name,
186 passes the equitable interest of the partnership, provided the act
187 is one within the authority of the partner under the provisions of
188 paragraph (1) of Section 79-12-17.

189 (3) Where title to real property is in the name of one or
190 more but not all the partners, and the record does not disclose

191 the right of the partnership, the partners in whose name the title
192 stands may convey title to such property, but the partnership may
193 recover such property if the partners' act does not bind the
194 partnership under the provisions of paragraph (1) of Section
195 79-12-17, unless the purchaser or his assignee, is a holder for
196 value, without knowledge.

197 (4) Where the title to real property is in the name of one
198 or more of all the partners, or in a third person in trust for the
199 partnership, a conveyance executed by a partner in the partnership
200 name, or in his own name, passes the equitable interest of the
201 partnership, provided the act is one within the authority of the
202 partner under the provisions of paragraph (1) of Section 79-12-17.

203 (5) Where the title to real property is in the names of all
204 the partners, a conveyance executed by all the partners passes all
205 their rights in such property.

206 (6) Nothing in this section shall be deemed to modify the
207 statutes of limitations of actions for lands.

208 **SECTION 11.** Section 79-12-21, Mississippi Code of 1972, is
209 reenacted as follows:

210 79-12-21. An admission or representation made by any partner
211 concerning partnership affairs within the scope of his authority
212 as conferred by this chapter is evidence against the partnership.

213 **SECTION 12.** Section 79-12-23, Mississippi Code of 1972, is
214 reenacted as follows:

215 79-12-23. Notice to any partner of any matter relating to
216 partnership affairs, and the knowledge of the partner acting in
217 the particular matter, acquired while a partner or then present to
218 his mind, and the knowledge of any other partner who reasonably
219 could and should have communicated it to the acting partner,
220 operate as notice to or knowledge of the partnership, except in
221 the case of a fraud on the partnership committed by or with the
222 consent of that partner.

223 **SECTION 13.** Section 79-12-25, Mississippi Code of 1972, is
224 reenacted as follows:

225 79-12-25. Where, by any wrongful act or omission of any
226 partner acting in the ordinary course of the business of the
227 partnership or with the authority of his copartners, loss or
228 injury is caused to any person, not being a partner in the
229 partnership, or any penalty is incurred, the partnership is liable
230 therefor to the same extent as the partner so acting or omitting
231 to act.

232 **SECTION 14.** Section 79-12-27, Mississippi Code of 1972, is
233 reenacted as follows:

234 79-12-27. The partnership is bound to make good the loss:

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

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

242 **SECTION 15.** Section 79-12-29, Mississippi Code of 1972, is
243 reenacted as follows:

244 79-12-29. (1) Except as provided in Section 79-12-29(2),
245 all partners are liable jointly and severally for all debts and
246 obligations of the partnership including those under Sections
247 79-12-25 and 79-12-27.

248 (2) Subject to Section 79-12-29(3) and subject to any
249 agreement between the partners, a partner in a limited liability
250 partnership is not liable directly or indirectly (including by way
251 of indemnification, contribution, assessment or otherwise) for any
252 debt, obligation or other liability of or chargeable to the
253 partnership or another partner or partners, whether arising in
254 tort, contract or otherwise that is incurred, created or assumed
255 while the partnership is a limited liability partnership.

256 (3) Section 79-12-29(2) shall not affect the liability of a
257 partner in a limited liability partnership for his own omissions,
258 negligence, wrongful acts, misconduct or malpractice and that of
259 any person under his direct supervision and control.

260 (4) A partner in a limited liability partnership is not a
261 proper party to any proceeding by or against a limited liability
262 partnership, the object of which is to recover damages or enforce
263 any debt, obligation or liability of the type described in Section
264 79-12-29(2), unless such partner is personally liable under
265 Section 79-12-29(3).

266 **SECTION 16.** Section 79-12-31, Mississippi Code of 1972, is
267 reenacted as follows:

268 79-12-31. (1) When a person, by words spoken or written or
269 by conduct, represents himself, or consents to another
270 representing him to anyone, as a partner in an existing
271 partnership or with one or more persons not actual partners, he is
272 liable to any such person to whom such representation has been
273 made, who has, on the faith of such representation, given credit
274 to the actual or apparent partnership, and if he has made such
275 representation or consented to its being made in a public manner
276 he is liable to such person, whether the representation has or has
277 not been made or communicated to such person so giving credit by
278 or with the knowledge of the apparent partner making the
279 representation or consenting to its being made.

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

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

286 (2) When a person has been thus represented to be a partner
287 in an existing partnership, or with one or more persons not actual
288 partners, he is an agent of the persons consenting to such

289 representation to bind them to the same extent and in the same
290 manner as though he were a partner in fact, with respect to
291 persons who rely upon the representation. Where all the members
292 of the existing partnership consent to the representation, a
293 partnership act or obligation results; but in all other cases it
294 is the joint act or obligation of the person acting and the
295 persons consenting to the representation.

296 (3) A representation that a person is an "associate" or a
297 "nonpartner member" of a partnership is not a representation that
298 he is a partner in the partnership.

299 **SECTION 17.** Section 79-12-33, Mississippi Code of 1972, is
300 reenacted as follows:

301 79-12-33. A person admitted as a partner into an existing
302 partnership is liable for all the obligations of the partnership
303 arising before his admission as though he had been a partner when
304 such obligations were incurred, except that this liability shall
305 be satisfied only out of partnership property.

306 **SECTION 18.** Section 79-12-35, Mississippi Code of 1972, is
307 reenacted as follows:

308 79-12-35. (1) The rights and duties of the partners in
309 relation to the partnership shall be determined, subject to any
310 agreement between them, by the following rules:

311 (a) Each partner shall be repaid his contributions,
312 whether by way of capital or advances to the partnership property
313 and share equally in the profits and surplus remaining after all
314 liabilities, including those to partners, are satisfied; and,
315 except as provided in Section 79-12-29(2), must contribute toward
316 the losses, whether of capital or otherwise, sustained by the
317 partnership according to his share in the profits.

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

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

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

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

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

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

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

342 (2) By written agreement, the partners may establish various
343 classes of partners (such as "senior partners," "junior partners,"
344 "managing partners" and others) and may provide for their varying
345 rights and duties in relation to the partnership.

346 (3) By written agreement, the partners may establish various
347 classes of nonpartner employees (such as "associates," "nonpartner
348 members" and others) and may provide for their varying rights and
349 duties in relation to the partnership.

350 **SECTION 19.** Section 79-12-37, Mississippi Code of 1972, is
351 reenacted as follows:

352 79-12-37. The partnership books shall be kept, subject to
353 any agreement between the partners, at the principal place of

354 business of the partnership, and every partner shall at all times
355 have access to and may inspect and copy any of them.

356 **SECTION 20.** Section 79-12-39, Mississippi Code of 1972, is
357 reenacted as follows:

358 79-12-39. Partners shall render on demand true and full
359 information of all things affecting the partnership to any partner
360 or the legal representative of any deceased partner or partner
361 under legal disability.

362 **SECTION 21.** Section 79-12-41, Mississippi Code of 1972, is
363 reenacted as follows:

364 79-12-41. (1) Every partner must account to the partnership
365 for any benefit, and hold as trustee for it any profits derived by
366 him without the consent of the other partners from any transaction
367 connected with the formation, conduct, or liquidation or the
368 partnership or from any use by him of its property.

369 (2) This section applies also to the representatives of a
370 deceased partner engaged in the liquidation of the affairs of the
371 partnership as the personal representatives of the last surviving
372 partner.

373 **SECTION 22.** Section 79-12-43, Mississippi Code of 1972, is
374 reenacted as follows:

375 79-12-43. Any partner shall have the right to a formal
376 account as to partnership affairs:

377 (a) If he is wrongfully excluded from the partnership
378 business or possession of its property by his copartners,

379 (b) If the right exists under the terms of any
380 agreement,

381 (c) As provided by Section 79-12-41,

382 (d) Whenever other circumstances render it just and
383 reasonable.

384 **SECTION 23.** Section 79-12-45, Mississippi Code of 1972, is
385 reenacted as follows:

386 79-12-45. (1) When a partnership for a fixed term or
387 particular undertaking is continued after the termination of such
388 term or particular undertaking without any express agreement, the
389 rights and duties of the partners remain the same as they were at
390 such termination, so far as is consistent with a partnership at
391 will.

392 (2) A continuation of the business by the partners or such
393 of them as habitually acted therein during the term, without any
394 settlement or liquidation of the partnership affairs, is prima
395 facie evidence of a continuation of the partnership.

396 **SECTION 24.** Section 79-12-47, Mississippi Code of 1972, is
397 reenacted as follows:

398 79-12-47. The property rights of a partner are (1) his
399 rights in specific partnership property, (2) his interest in the
400 partnership, and (3) his right to participate in the management.

401 **SECTION 25.** Section 79-12-49, Mississippi Code of 1972, is
402 reenacted as follows:

403 79-12-49. (1) A partner is co-owner with his partners of
404 specific partnership property holding as a tenant in partnership.

405 (2) The incidents of this tenancy are such that:

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

412 (b) A partner's right in specific partnership property
413 is not assignable except in connection with the assignment of
414 rights of all the partners in the same property.

415 (c) A partner's right in specific partnership property
416 is not subject to attachment or execution, except on a claim
417 against the partnership. When partnership property is attached
418 for a partnership debt the partners, or any of them, or the

419 representatives of a deceased partner, cannot claim any right
420 under the homestead or exemption laws.

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

428 (e) A partner's right in specific partnership property
429 is not subject to dower, curtesy, or allowances to widows, heirs
430 or next of kin.

431 **SECTION 26.** Section 79-12-51, Mississippi Code of 1972, is
432 reenacted as follows:

433 79-12-51. A partner's interest in the partnership is his
434 share of the profits and surplus, and the same is personal
435 property.

436 **SECTION 27.** Section 79-12-53, Mississippi Code of 1972, is
437 reenacted as follows:

438 79-12-53. (1) A conveyance by a partner of his interest in
439 the partnership does not of itself dissolve the partnership, nor,
440 as against the other partners in the absence of agreement, entitle
441 the assignee, during the continuance of the partnership, to
442 interfere in the management or administration of the partnership
443 business or affairs, or to require any information or account of
444 partnership transactions, or to inspect the partnership books; but
445 it merely entitles the assignee to receive in accordance with his
446 contract the profits to which the assigning partner would
447 otherwise be entitled.

448 (2) In case of a dissolution of the partnership, the
449 assignee is entitled to receive his assignor's interest and may
450 require an account from the date only of the last account agreed
451 to by all the partners.

452 **SECTION 28.** Section 79-12-55, Mississippi Code of 1972, is
453 reenacted as follows:

454 79-12-55. (1) On due application to a competent court by
455 any judgment creditor of a partner (or of any other owner of an
456 interest in the partnership), the court which entered the
457 judgment, order, or decree, or any other court, may charge the
458 interest of the debtor partner (or such other owner) with payment
459 of the unsatisfied amount of such judgment debt with interest
460 thereon; and may then or later appoint a receiver of his share of
461 the profits, and of any other money due or to fall due to him in
462 respect of the partnership, and make all other orders, directions,
463 accounts and inquiries which the debtor partner (or such other
464 owner) might have made, or which the circumstances of the case may
465 require.

466 (2) The interest charged may be redeemed at any time before
467 foreclosure, or in case of a sale being directed by the court may
468 be purchased without thereby causing a dissolution:

469 (a) With separate property, by any one or more of the
470 partners, or

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

474 (3) Nothing in this chapter shall be held to deprive a
475 partner (or other owner) of his right, if any, under the exemption
476 laws, as regards his interest in the partnership.

477 **SECTION 29.** Section 79-12-57, Mississippi Code of 1972, is
478 reenacted as follows:

479 79-12-57. The dissolution of a partnership is the change in
480 the relation of the partners caused by any partner ceasing to be
481 associated in the carrying on as distinguished from the winding up
482 of the business.

483 **SECTION 30.** Section 79-12-59, Mississippi Code of 1972, is
484 reenacted as follows:

485 79-12-59. On dissolution the partnership is not terminated,
486 but continues until the winding up of partnership affairs is
487 completed.

488 **SECTION 31.** Section 79-12-61, Mississippi Code of 1972, is
489 reenacted as follows:

490 79-12-61. Dissolution is caused:

491 (1) Without violation of the agreement between the partners,

492 (a) By the termination of the definite term or
493 particular undertaking specified in the agreement,

494 (b) By the express will of any partner when no definite
495 term or particular undertaking is specified,

496 (c) By the express will of all the partners who have
497 not assigned their interests or suffered them to be charged for
498 their separate debts, either before or after the termination of
499 any specified term or particular undertaking,

500 (d) By the expulsion of any partner from the business
501 bona fide in accordance with such a power conferred by the
502 agreement between the partners;

503 (2) In contravention of the agreement between the partners,
504 where the circumstances do not permit a dissolution under any
505 other provision of this section, by the express will of any
506 partner at any time;

507 (3) By any event which makes it unlawful for the business of
508 the partnership to be carried on or for the members to carry it on
509 in partnership;

510 (4) By the death of any partner unless the agreement
511 provides otherwise;

512 (5) By the bankruptcy of any partner or the partnership;

513 (6) By decree of court under Section 79-12-63.

514 **SECTION 32.** Section 79-12-63, Mississippi Code of 1972, is
515 reenacted as follows:

516 79-12-63. (1) On application by or for a partner the
517 chancery court shall decree a dissolution whenever:

518 (a) A partner has been declared mentally incompetent in
519 any judicial proceeding or is shown to be of unsound mind,

520 (b) A partner becomes in any other way incapable of
521 performing his part of the partnership contract,

522 (c) A partner has been guilty of such conduct as tends
523 to affect prejudicially the carrying on of the business,

524 (d) A partner willfully or persistently commits a
525 breach of the partnership agreement, or otherwise so conducts
526 himself in matters relating to the partnership business that it is
527 not reasonably practicable to carry on the business in partnership
528 with him,

529 (e) The business of the partnership can only be carried
530 on at a loss,

531 (f) Other circumstances render a dissolution equitable.

532 (2) On the application of the purchaser of a partner's
533 interest under Sections 79-12-53 and 79-12-55:

534 (a) After the termination of the specified term or
535 particular undertaking,

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

539 **SECTION 33.** Section 79-12-65, Mississippi Code of 1972, is
540 reenacted as follows:

541 79-12-65. Except so far as may be necessary to wind up
542 partnership affairs or to complete transactions begun but not then
543 finished, dissolution terminates all authority of any partner to
544 act for the partnership:

545 (1) With respect to the partners,

546 (a) When the dissolution is not by the act, bankruptcy
547 or death of a partner; or

548 (b) When the dissolution is by such act, bankruptcy or
549 death of a partner, in cases where Section 79-12-67 so requires.

550 (2) With respect to persons not partners, as declared in
551 Section 79-12-69.

552 **SECTION 34.** Section 79-12-67, Mississippi Code of 1972, is
553 reenacted as follows:

554 79-12-67. Where the dissolution is caused by the act, death
555 or bankruptcy of a partner, each partner is liable to his
556 copartners for his share of any liability created by any partner
557 acting for the partnership as if the partnership had not been
558 dissolved unless:

559 (a) The dissolution being by act of any partner, the
560 partner acting for the partnership had knowledge of the
561 dissolution,

562 (b) The dissolution being by the death or bankruptcy of
563 a partner, the partner acting for the partnership had knowledge or
564 notice of the death or bankruptcy, or

565 (c) The liability is for a debt, obligation or
566 liability for which the partner is not liable as provided in
567 Section 79-12-29(2).

568 **SECTION 35.** Section 79-12-69, Mississippi Code of 1972, is
569 reenacted as follows:

570 79-12-69. (1) After dissolution a partner can bind the
571 partnership except as provided in subsection (3):

572 (a) By any act appropriate for winding up partnership
573 affairs or completing transactions unfinished at dissolution;

574 (b) By any transaction which would bind the partnership
575 if dissolution had not taken place, provided the other party to
576 the transaction:

577 (i) Had extended credit to the partnership prior
578 to dissolution and had no knowledge or notice of the dissolution;
579 or

580 (ii) Though he had not so extended credit, had
581 nevertheless known of the partnership prior to dissolution, and,
582 having no knowledge or notice of dissolution, the fact of

583 dissolution had not been advertised in a newspaper of general
584 circulation in the place (or in each place if more than one (1))
585 at which the partnership business was regularly carried on.

586 (2) The liability of a partner under paragraph (1)(b) of
587 this section shall be satisfied out of partnership assets alone
588 when such partner had been prior to dissolution:

589 (a) Unknown as a partner to the persons with whom the
590 contract is made; and

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

594 (3) The partnership is in no case bound by any act of a
595 partner after dissolution:

596 (a) Where the partnership is dissolved because it is
597 unlawful to carry on the business, unless the act is appropriate
598 for winding up partnership affairs; or

599 (b) Where the partner has become bankrupt; or

600 (c) Where the partner has no authority to wind up
601 partnership affairs, except by a transaction with one who:

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

605 (ii) Had not extended credit to the partnership
606 prior to dissolution, and, having no knowledge or notice of his
607 want of authority, the fact of his want of authority has not been
608 advertised in the manner provided for advertising the fact of
609 dissolution in paragraph (1)(b)(ii).

610 (4) Nothing in this section shall affect the liability under
611 Section 79-12-31 of any person who after dissolution represents
612 himself or consents to another representing him as a partner in a
613 partnership engaged in carrying on business.

614 (5) Nothing in this section shall affect the limitation of
615 liability under Section 79-12-29(2).

616 **SECTION 36.** Section 79-12-71, Mississippi Code of 1972, is
617 reenacted as follows:

618 79-12-71. (1) The dissolution of the partnership does not
619 of itself discharge the existing liability of any partner.

620 (2) A partner is discharged from any existing liability upon
621 dissolution of the partnership by an agreement to that effect
622 between himself, the partnership creditor and the person or
623 partnership continuing the business; and such agreement may be
624 inferred from the course of dealing between the creditor having
625 knowledge of the dissolution and the person or partnership
626 continuing the business.

627 (3) Where a person agrees to assume the existing obligations
628 of a dissolved partnership, the partners whose obligations have
629 been assumed shall be discharged from any liability to any
630 creditor of the partnership who, knowing of the agreement,
631 consents to a material alteration in the nature or time of payment
632 of such obligations.

633 (4) The individual property of a deceased partner shall be
634 liable for those obligations of the partnership incurred while he
635 was a partner and for which he was liable under Section 79-12-29,
636 but subject to the prior payment of his separate debts.

637 **SECTION 37.** Section 79-12-73, Mississippi Code of 1972, is
638 reenacted as follows:

639 79-12-73. Unless otherwise agreed the partners who have not
640 wrongfully dissolved the partnership or the legal representative
641 of the last surviving partner, not bankrupt, has the right to wind
642 up the partnership affairs; provided, however, that any partner,
643 his legal representative or his assignee, upon cause shown, may
644 obtain winding up by the court.

645 **SECTION 38.** Section 79-12-75, Mississippi Code of 1972, is
646 reenacted as follows:

647 79-12-75. (1) When dissolution is cause in any way, except
648 in contravention of the partnership agreement, each partner, as

649 against his copartners and all persons claiming through them in
650 respect of their interests in the partnership, unless otherwise
651 agreed, may have the partnership property applied to discharge its
652 liabilities, and the surplus applied to pay in cash the net amount
653 owing to the respective partners. But if dissolution is caused by
654 expulsion of a partner, bona fide under the partnership agreement
655 and if the expelled partner is discharged from all partnership
656 liabilities, either by payment or agreement under Section
657 79-12-71(2), he shall receive in cash only the net amount due him
658 from the partnership.

659 (2) When dissolution is caused in contravention of the
660 partnership agreement the rights of the partners shall be as
661 follows:

662 (a) Each partner who has not caused dissolution
663 wrongfully shall have,

664 (i) All the rights specified in subsection (1) of
665 this section and

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

669 (b) The partners who have not caused the dissolution
670 wrongfully, if they all desire to continue the business in the
671 same name, either by themselves or jointly with others, may do so,
672 during the agreed term for the partnership and for that purpose
673 may possess the partnership property, provided they secure the
674 payment by bond approved by the court, or pay to any partner who
675 has caused the dissolution wrongfully, the value of his interest
676 in the partnership at the dissolution, less any damages
677 recoverable under clause (2)(a)(ii) of this section, and in like
678 manner indemnify him against all present or future partnership
679 liabilities.

680 (c) A partner who has caused the dissolution wrongfully
681 shall have:

682 (i) If the business is not continued under the
683 provisions of paragraph (2)(b) of this section, all the rights of
684 a partner under subsection (1), subject to clause (2)(a)(ii), of
685 this section;

686 (ii) If the business is continued under paragraph
687 (2)(b) of this section the right as against his copartners and all
688 claiming through them in respect of their interests in the
689 partnership, to have the value of his interest in the partnership,
690 less any damages caused to his copartners by the dissolution,
691 ascertained and paid to him in cash, or the payment secured by
692 bond approved by the court, and to be indemnified against all
693 existing liabilities of the partnership; but in ascertaining the
694 value of the partner's interest the value of the goodwill of the
695 business shall not be considered.

696 **SECTION 39.** Section 79-12-77, Mississippi Code of 1972, is
697 reenacted as follows:

698 79-12-77. Where a partnership contract is rescinded on the
699 ground of the fraud or misrepresentation of one of the parties
700 thereto, the party entitled to rescind is, without prejudice to
701 any other right, entitled:

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

707 (b) To stand, after all liabilities to third persons
708 have been satisfied, in the place of the creditors of the
709 partnership for any payments made by him in respect of the
710 partnership liabilities; and

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

714 **SECTION 40.** Section 79-12-79, Mississippi Code of 1972, is
715 reenacted as follows:

716 79-12-79. In settling accounts between the partners after
717 dissolution, the following rules shall be observed, subject to any
718 agreement to the contrary:

719 (a) The assets of the partnership are:

720 (i) The partnership property,

721 (ii) The contributions of the partners specified
722 in paragraph (d) of this section.

723 (b) The liabilities of the partnership shall rank in
724 order of payment as follows:

725 (i) Those owing to creditors other than partners,

726 (ii) Those owing to partners other than for
727 capital and profits,

728 (iii) Those owing to partners in respect of
729 capital,

730 (iv) Those owing to partners in respect of
731 profits.

732 (c) The assets shall be applied in order of their
733 declaration in paragraph (a) of this section to the satisfaction
734 of the liabilities.

735 (d) Except as provided in Section 79-12-29(2), the
736 partners shall contribute, as provided by Section 79-12-35(1)(a),
737 the amount necessary to satisfy the liabilities; however, if any,
738 but not all, of the partners are insolvent, or, not being subject
739 to process, refuse to contribute, the other partners shall
740 contribute their share of the liabilities, and, in the relative
741 proportions in which they share the profits, the additional amount
742 necessary to pay the liabilities.

743 (e) An assignee for the benefit of creditors or any
744 person appointed by the court shall have the right to enforce the
745 contributions specified in paragraph (d) of this section.

746 (f) Any partner or his legal representative shall have
747 the right to enforce the contributions specified in paragraph (d)
748 of this section, to the extent of the amount which he has paid in
749 excess of his share of the liability.

750 (g) The individual property of a deceased partner shall
751 be liable for the contributions specified in paragraph (d) of this
752 section.

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

759 (i) Where a partner had become bankrupt or his estate
760 is insolvent the claims against his separate property shall rank
761 in the following order:

762 (i) Those owing to separate creditors,

763 (ii) Those owing to partnership creditors,

764 (iii) Those owing to partners by way of

765 contribution.

766 **SECTION 41.** Section 79-12-81, Mississippi Code of 1972, is
767 reenacted as follows:

768 79-12-81. (1) When any new partner is admitted into an
769 existing partnership, or when any partner retires and assigns (or
770 the representative of the deceased partner assigns) his rights in
771 partnership property to two (2) or more of the partners, or to one
772 or more of the partners and one or more third persons, if the
773 business is continued without liquidation of the partnership
774 affairs, creditors of the first or dissolved partnership are also
775 creditors of the partnership so continuing the business.

776 (2) When all but one (1) partner retire and assign (or the
777 representative of a deceased partner assigns) their rights in
778 partnership property to the remaining partner, who continues the

779 business without liquidation of partnership affairs, either alone
780 or with others, creditors of the dissolved partnership are also
781 creditors of the person or partnership so continuing the business.

782 (3) When any partner retires or dies and the business of the
783 dissolved partnership is continued as set forth in subsection (1)
784 and (2) of this section, with the consent of the retired partners
785 or the representative of the deceased partner, but without any
786 assignment of his right in partnership property, rights of
787 creditors of the dissolved partnership and of the creditors of the
788 person or partnership continuing the business shall be as if such
789 assignment had been made.

790 (4) When all the partners or their representatives assign
791 their rights in partnership property to one or more third persons
792 who promise to pay the debts and who continue the business of the
793 dissolved partnership, creditors of the dissolved partnership are
794 also creditors of the person or partnership continuing the
795 business.

796 (5) When any partner wrongfully causes a dissolution and the
797 remaining partners continue the business under the provisions of
798 Section 79-12-75(2)(b), either alone or with others, and without
799 liquidation of the partnership affairs, creditors of the dissolved
800 partnership are also creditors of the person or partnership
801 continuing the business.

802 (6) When a partner is expelled and the remaining partners
803 continue the business either alone or with others, without
804 liquidation of the partnership affairs, creditors of the dissolved
805 partnership are also creditors of the person or partnership
806 continuing the business.

807 (7) The liability of a third person becoming a partner in
808 the partnership continuing the business, under this section, to
809 the creditors of the dissolved partnership shall be satisfied out
810 of partnership property only.

811 (8) When the business of a partnership after dissolution is
812 continued under any conditions set forth in this section, the
813 creditors of the dissolved partnership, as against the separate
814 creditors of the retiring or deceased partner or the
815 representative of the deceased partner, have a prior right to any
816 claim of the retired partner or the representative of the deceased
817 partner against the person or partnership continuing the business,
818 on account of the retired or deceased partner's interest in the
819 dissolved partnership or on account of any consideration promised
820 for such interest or for his right in partnership property.

821 (9) Nothing in this section shall be held to modify any
822 right of creditors to set aside any assignment on the ground of
823 fraud.

824 (10) The use by the person or partnership continuing the
825 business of the partnership name, or the name of the deceased
826 partner as part thereof, shall not of itself make the individual
827 property of the deceased partner liable for any debts contracted
828 by such person or partnership.

829 **SECTION 42.** Section 79-12-83, Mississippi Code of 1972, is
830 reenacted as follows:

831 79-12-83. When any partner retires or dies, and the business
832 is continued under any of the conditions set forth in Section
833 79-12-81 (1), (2), (3), (5), (6) or Section 79-12-75(2)(b) without
834 any settlement of accounts as between him or his estate and the
835 person or partnership continuing the business, unless otherwise
836 agreed, he or his legal representative as against such persons or
837 partnership may have the value of his interest at the date of
838 dissolution ascertained, and shall receive as an ordinary creditor
839 an amount equal to the value of his interest in the dissolved
840 partnership with interest, or, at his option or at the option of
841 his legal representative, in lieu of interest, the profits
842 attributable to the use of his right in the property of the
843 dissolved partnership; provided that the creditors of the

844 dissolved partnership as against the separate creditors, or the
845 representative of the retired or deceased partner, shall have
846 priority on any claim arising under this section, as provided by
847 Section 79-12-81(8).

848 **SECTION 43.** Section 79-12-85, Mississippi Code of 1972, is
849 reenacted as follows:

850 79-12-85. The right to an account of his interest shall
851 accrue to any partner, or his legal representative, as against the
852 winding up partners or the surviving partners or the person or
853 partnership continuing the business, at the date of dissolution,
854 in the absence of any agreement to the contrary.

855 **SECTION 44.** Section 79-12-87, Mississippi Code of 1972, is
856 reenacted as follows:

857 79-12-87. (1) To become a limited liability partnership, a
858 partnership shall deliver to the Office of the Secretary of State
859 for filing one (1) original certificate of registration setting
860 forth either in typewritten or printed form or, if electronically
861 transmitted, in a format that can be retrieved or reproduced by
862 the Secretary of State in typewritten or printed form:

863 (a) The name of the partnership;

864 (b) The street and mailing address of its principal
865 office;

866 (c) If the partnership has a specific date of
867 dissolution, the latest date upon which the partnership is to
868 dissolve; and

869 (d) Any other matters that the partnership determines
870 to include.

871 (2) The certificate shall be signed by one or more partners
872 authorized to execute the certificate.

873 (3) If the Secretary of State finds that a certificate of
874 registration meets the requirements of this section and all
875 requisite fees as provided in Section 79-12-111 of this chapter
876 have been paid, he shall:

877 (a) Endorse on the original the word "Filed" and the
878 month, day and year of the filing thereof;

879 (b) File in his office the original of the certificate;
880 and

881 (c) Return a copy to the person who delivered it for
882 filing or his representative.

883 (4) Registration is effective at the date and time of filing
884 the certificate of registration by the Secretary of State, as
885 evidenced by such means as the Secretary of State may use for the
886 purpose of recording the date and time of filing, or at any later
887 time within ninety (90) days after the certificate is filed
888 specified in the certificate, if, in either case, the certificate
889 so filed substantially complies with the requirements of this
890 chapter. Registration remains effective until it is voluntarily
891 cancelled by delivery to the office of the Secretary of State for
892 filing a certificate of cancellation signed by one or more
893 partners authorized to execute it and paying the fee set forth in
894 Section 79-12-111. A limited liability partnership shall cancel
895 its registration upon completion of the winding up of its affairs.

896 (5) The status of a partnership as a limited liability
897 partnership, and the liability of the partners thereof, shall not
898 be affected by (a) errors in the information stated in a
899 certificate under subsection (1) of this section, (b) changes
900 after the filing of the certificate in the information stated in
901 the certificate, or (c) defects in the electronic transmission of
902 the certificate.

903 (6) The provisions of Section 79-12-29(2) shall apply with
904 respect to partnerships registered under this Section 79-12-87
905 and, until terminated, any successor partnership which continues
906 the business of a dissolved partnership under the same name.

907 (7) If any statement in the certificate of registration of a
908 limited liability partnership was false when made, any
909 arrangements or other facts described therein change, making the

910 certificate inaccurate in any respect, or the delivery of the
911 certificate by electronic transmission was defective, the limited
912 liability partnership shall promptly deliver to the office of the
913 Secretary of State for filing a certificate of amendment
914 correcting the certificate of registration, together with the fee
915 as set forth in Section 79-12-111 of this chapter. A certificate
916 of amendment shall be signed by one or more partners authorized to
917 execute it. The failure to correct an inaccurate certificate
918 shall not affect the liability of the partners of the limited
919 liability partnership.

920 (8) The Secretary of State may provide forms for the
921 certificates described in this section, including forms
922 electronically transmitted.

923 (9) The fact that a certificate of registration is on file
924 in the office of the Secretary of State is notice that the
925 partnership is a limited liability partnership formed under the
926 laws of this state.

927 (10) A document required or permitted to be delivered for
928 filing under this chapter which contains a copy of a signature,
929 however made, is acceptable for filing.

930 **SECTION 45.** Section 79-12-89, Mississippi Code of 1972, is
931 reenacted as follows:

932 79-12-89. (1) The name of a limited liability partnership
933 shall contain the words "Limited Liability Partnership" or the
934 abbreviation "L.L.P.," or "LLP," as the last words or letters of
935 its name.

936 (2) Except as authorized by subsection (3) of this section,
937 the name of the limited liability partnership must be
938 distinguishable upon the records of the Secretary of State from
939 (a) the name of any domestic or foreign corporation, nonprofit
940 corporation, limited partnership, limited liability company or
941 limited liability partnership organized or registered under the
942 laws of this state; and (b) a name reserved or registered in the

943 office of the Secretary of State for any of the entities named in
944 this subsection.

945 (3) A limited liability partnership may apply to the
946 Secretary of State for authorization to use a name that is not
947 distinguishable upon his records from one or more of the names
948 described in subsection (2) of this section. The Secretary of
949 State shall authorize the use of the name applied for if:

950 (a) The other domestic or foreign corporation,
951 nonprofit corporation, limited partnership, limited liability
952 company or limited liability partnership consents to the use in
953 writing and submits an undertaking in form satisfactory to the
954 Secretary of State to change its name to a name that is
955 distinguishable upon the records of the Secretary of State from
956 the name of the applying limited liability partnership; or

957 (b) The applicant delivers to the Secretary of State a
958 certified copy of the final judgment of a court of competent
959 jurisdiction establishing the applicant's right to use the name
960 applied for in this state.

961 **SECTION 46.** Section 79-12-91, Mississippi Code of 1972, is
962 reenacted as follows:

963 79-12-91. (1) A partnership, including a limited liability
964 partnership, formed and existing under this chapter, may conduct
965 its business, carry on its operations, and have and exercise the
966 powers granted by this chapter, in any state, territory, district
967 or possession of the United States or in any foreign country.

968 (2) It is the intent of the Legislature that the legal
969 existence of limited liability partnerships formed and existing
970 under this chapter be recognized outside the boundaries of this
971 state and that the laws of this state governing such limited
972 liability partnership transacting business outside this state be
973 granted the protection of full faith and credit under the
974 Constitution of the United States.

975 (3) The internal affairs of a partnership, including a
976 limited liability partnership, formed and existing under this
977 chapter, including the liability of partners for debts,
978 obligations and liabilities of or chargeable to the partnership,
979 shall be subject to and governed by the laws of this state.

980 **SECTION 47.** Section 79-12-93, Mississippi Code of 1972, is
981 reenacted as follows:

982 79-12-93. (1) Subject to the Constitution of this state, the
983 laws of the state or other jurisdiction under which a foreign
984 limited liability partnership is organized shall govern its
985 organization and internal affairs and the liabilities and
986 authorities of its partners.

987 (2) Subject to the Constitution of this state, a foreign
988 limited liability partnership may not be denied registration by
989 reason of any difference between the laws under which it is
990 organized and the laws of this state.

991 **SECTION 48.** Section 79-12-95, Mississippi Code of 1972, is
992 reenacted as follows:

993 79-12-95. (1) Before transacting business in this state, a
994 foreign limited liability partnership shall register with the
995 Secretary of State. In order to register, a foreign limited
996 liability partnership shall submit to the Secretary of State one
997 (1) original certificate of registration as a foreign limited
998 liability partnership, setting forth:

999 (a) The name of the foreign limited liability
1000 partnership and, if different, the name under which it proposes to
1001 register and transact business in this state;

1002 (b) The state or other jurisdiction and the date of its
1003 organization;

1004 (c) The name and street and mailing address of the
1005 registered agent for service of process on the foreign limited
1006 liability partnership which the foreign limited liability
1007 partnership has elected to appoint. Such agent must be either an

1008 individual resident of this state, a domestic business corporation
1009 or not-for-profit corporation, a foreign business corporation or
1010 not-for-profit corporation authorized to transact business in this
1011 state, a domestic limited liability company, a foreign limited
1012 liability company authorized to transact business in this state, a
1013 domestic limited liability partnership or a foreign limited
1014 liability partnership authorized to transact business in this
1015 state. Any registered agent so appointed may change its address
1016 or resign by filing a certificate to such effect with the
1017 Secretary of State, executed by the registered agent, and naming
1018 the foreign limited liability partnership or partnerships to which
1019 the certificate relates;

1020 (d) A statement that the Secretary of State is
1021 appointed the registered agent of the foreign limited liability
1022 partnership for service of process if the registered agent has
1023 resigned, if the registered agent's authority has been revoked or
1024 if the registered agent cannot be found or served with the
1025 exercise of reasonable diligence;

1026 (e) The address of the office required to be maintained
1027 in the state or jurisdiction of its organization by the laws of
1028 that state or jurisdiction or, if not so required, the address of
1029 the principal office of the foreign limited liability partnership;

1030 (f) If the foreign limited liability partnership has a
1031 specific date of dissolution, the latest date upon which the
1032 foreign limited liability partnership is to dissolve;

1033 (g) A statement to the effect that the partnership is a
1034 limited liability partnership; and

1035 (h) Any other matters the foreign limited liability
1036 partnership determines to include.

1037 (2) The certificate of registration shall be executed by one
1038 or more partners authorized to execute the certificate.

1039 (3) If the Secretary of State finds that a certificate of
1040 registration meets the requirements of this section and all

1041 requisite fees as provided in Section 79-12-111 of this chapter
1042 have been paid, he shall:

1043 (a) Endorse on the original the word "Filed" and the
1044 month, day and year of the filing thereof;

1045 (b) File in his office the original of the certificate;
1046 and

1047 (c) Return a copy to the person who filed it or his
1048 representative.

1049 (4) Registration is effective immediately upon the
1050 certificate of registration being filed or at any later time
1051 within ninety (90) days after the certificate is filed specified
1052 in the certificate, if, in either case, the certificate so filed
1053 substantially complies with the requirements of this chapter.

1054 Registration remains effective until it is voluntarily cancelled
1055 by filing with the Secretary of State a certificate of
1056 cancellation executed by one or more partners authorized to
1057 execute it and paying the fee set forth in Section 79-12-111. A
1058 foreign limited liability partnership shall cancel its
1059 registration upon completion of the winding up of its affairs and
1060 may cancel its registration upon it ceasing to transact business
1061 in this state. Cancellation revokes the authority of the
1062 registered agent for service of process designated pursuant to
1063 this section and operates as a consent that the Secretary of State
1064 may accept service of process on the foreign limited liability
1065 partnership with respect to causes of action arising out of the
1066 transaction of business in this state.

1067 (5) The status of a partnership as a foreign limited
1068 liability partnership, and the liability of the partners thereof,
1069 shall not be affected by (a) errors in the information stated in a
1070 certificate under subsection (1) of this section, or (b) changes
1071 after the filing of the certificate in the information stated in
1072 the certificate.

1073 (6) If any statement in the certificate of registration of a
1074 foreign limited liability partnership was false when made or any
1075 arrangements or other facts described therein change, making the
1076 certificate inaccurate in any respect, or if the foreign limited
1077 liability partnership shall desire to change its registered agent
1078 for service of process, the foreign limited liability partnership
1079 shall promptly file in the office of the Secretary of State a
1080 certificate of amendment, correcting or amending the certificate
1081 of registration, together with a fee as set forth in Section
1082 79-12-111 of this chapter. A certificate of amendment shall be
1083 executed by one or more partners authorized to execute it. The
1084 failure to correct an inaccurate certificate or to amend a
1085 certificate shall not affect the liability of the partners of the
1086 foreign limited liability partnership.

1087 (7) The Secretary of State may provide forms for the
1088 certificates described in this section.

1089 (8) The fact that a certificate of registration of a foreign
1090 limited liability partnership is on file in the office of the
1091 Secretary of State is notice that the entity is a foreign limited
1092 liability partnership.

1093 **SECTION 49.** Section 79-12-97, Mississippi Code of 1972, is
1094 reenacted as follows:

1095 79-12-97. (1) The name under which a foreign limited
1096 liability partnership proposes to register and transact business
1097 in this state shall include the words "limited liability
1098 partnership," "registered limited liability partnership" or the
1099 abbreviations "L.L.P.," "LLP," "R.L.L.P." or "RLLP."

1100 (2) Except as authorized by subsection (3) of this section,
1101 the name of the foreign limited liability partnership must be
1102 distinguishable upon the records of the Secretary of State from
1103 (a) the name of any domestic or foreign corporation, nonprofit
1104 corporation, limited partnership, limited liability company or
1105 limited liability partnership organized or registered under the

1106 laws of this state; and (b) a name reserved or registered in the
1107 office of the Secretary of State for any of the entities named in
1108 this subsection.

1109 (3) A foreign limited liability partnership may apply to the
1110 Secretary of State for authorization to use a name that is not
1111 distinguishable upon his records from one or more of the names
1112 described in subsection (2) of this section. The Secretary of
1113 State shall authorize the use of the name applied for if:

1114 (a) The other domestic or foreign corporation,
1115 nonprofit corporation, limited partnership, limited liability
1116 company or limited liability partnership consents to the use in
1117 writing and submits an undertaking in form satisfactory to the
1118 Secretary of State to change its name to a name that is
1119 distinguishable upon the records of the Secretary of State from
1120 the name of the applying foreign limited liability partnership; or

1121 (b) The applicant delivers to the Secretary of State a
1122 certified copy of the final judgment of a court of competent
1123 jurisdiction establishing the applicant's right to use the name
1124 applied for in this state.

1125 **SECTION 50.** Section 79-12-99, Mississippi Code of 1972, is
1126 reenacted as follows:

1127 79-12-99. (1) A foreign limited liability partnership
1128 transacting business in this state may not maintain any action,
1129 suit or proceeding in any court of this state until it has
1130 registered pursuant to this chapter.

1131 (2) The failure of a foreign limited liability partnership
1132 to register in this state does not impair the validity of any
1133 contract or act of the foreign limited liability partnership or
1134 prevent the foreign limited liability partnership from defending
1135 any action, suit or proceeding in any court of this state.

1136 (3) A partner of a foreign limited liability partnership is
1137 not liable for the debts, obligations or liabilities of the
1138 foreign limited liability partnership beyond that provided in

1139 Section 79-12-93 of this chapter solely by reason of the foreign
1140 limited liability partnership having transacted business in this
1141 state without registration.

1142 (4) By transacting business in this state without
1143 registration, a foreign limited liability partnership appoints the
1144 Secretary of State as its registered agent for service of process
1145 with respect to causes of action arising out of the transaction of
1146 business in this state.

1147 **SECTION 51.** Section 79-12-101, Mississippi Code of 1972, is
1148 reenacted as follows:

1149 79-12-101. (1) The following activities of a foreign
1150 limited liability partnership, among others, do not constitute
1151 transacting business in this state within the meaning of this
1152 chapter:

1153 (a) Maintaining, defending or settling any proceeding;

1154 (b) Holding meetings of its partners or carrying on any
1155 other activities concerning its internal affairs;

1156 (c) Maintaining bank accounts;

1157 (d) Selling through independent contractors;

1158 (e) Soliciting or obtaining orders, whether by mail or
1159 through employees, agents or otherwise, if the orders require
1160 acceptance outside this state before they become contracts;

1161 (f) Creating or acquiring indebtedness, mortgages or
1162 security interests in real or personal property;

1163 (g) Securing or collecting indebtedness or enforcing
1164 mortgages and security interests in property securing such
1165 indebtedness;

1166 (h) Owning, without more, real or personal property;

1167 (i) Conducting an isolated transaction that is
1168 completed within thirty (30) days and that it not be one in the
1169 course of repeated transactions of a like nature; or

1170 (j) Transacting business in interstate commerce.

1171 (2) A foreign limited liability partnership shall not be
1172 considered to be transacting business in this state solely because
1173 it:

1174 (a) Owns a controlling interest in a corporation or a
1175 foreign corporation that transacts business in this state;

1176 (b) Is a limited partner of a limited partnership or
1177 foreign limited partnership that is transacting business in this
1178 state; or

1179 (c) Is a member or manager of a limited liability
1180 company or foreign limited liability company that is transacting
1181 business in this state.

1182 (3) This section does not apply in determining the
1183 activities that may subject a foreign limited liability
1184 partnership to service of process or taxation in this state or to
1185 regulation under any other law of this state.

1186 (4) A foreign limited liability partnership which is a
1187 partner or member of any general partnership, limited partnership
1188 (other than as a limited partner), limited liability partnership,
1189 joint venture, syndicate, pool or other association of any kind
1190 (other than a foreign limited liability company), whether or not
1191 such foreign limited liability partnership shares with or
1192 delegates to others control of such entity, which entity is
1193 transacting business in this state, is hereby declared to be
1194 transacting business in this state.

1195 **SECTION 52.** Section 79-12-103, Mississippi Code of 1972, is
1196 reenacted as follows:

1197 79-12-103. The Attorney General may bring an action to
1198 restrain a foreign limited liability partnership from transacting
1199 business in this state in violation of this chapter.

1200 **SECTION 53.** Section 79-12-105, Mississippi Code of 1972, is
1201 reenacted as follows:

1202 79-12-105. (1) A foreign limited liability partnership's
1203 registered agent is the foreign limited liability partnership's

1204 agent for service of process, notice or demand required or
1205 permitted by law to be served on the foreign limited liability
1206 partnership.

1207 (2) This section does not prescribe the only means, or
1208 necessarily the required means, of serving process on a foreign
1209 limited liability partnership.

1210 **SECTION 54.** Section 79-12-107, Mississippi Code of 1972, is
1211 reenacted as follows:

1212 79-12-107. (1) A foreign limited liability partnership may
1213 carry on any lawful business, purpose or activity.

1214 (2) Every foreign limited liability partnership has the same
1215 powers as an individual to do all things necessary or convenient
1216 to carry out its business and affairs.

1217 (3) Nothing in this chapter is intended to exempt any
1218 foreign limited liability partnership from its obligation to
1219 comply with any statutory or administrative registration,
1220 licensure or filing requirements governing the specific type of
1221 business in which the foreign limited liability partnership
1222 engages in this state.

1223 **SECTION 55.** Section 79-12-109, Mississippi Code of 1972, is
1224 reenacted as follows:

1225 79-12-109. A person commits an offense if he signs a
1226 document he knows is false in any material respect with intent
1227 that the document be delivered to the office of the Secretary of
1228 State for filing under this chapter. An offense under this
1229 provision is a misdemeanor punishable by a fine not to exceed Five
1230 Hundred Dollars (\$500.00).

1231 **SECTION 56.** Section 79-12-111, Mississippi Code of 1972, is
1232 reenacted as follows:

1233 79-12-111. The Secretary of State shall charge and collect
1234 fees in the amounts specified for the following purposes:

1235 (a) Filing of Certificate of Registration of Domestic
1236 or Foreign Limited Liability Partnership -- Two Hundred Fifty
1237 Dollars (\$250.00).

1238 (b) Filing of Certificate Correcting or Amending a
1239 Certificate of Registration of Domestic or Foreign Limited
1240 Liability Partnership -- Fifty Dollars (\$50.00).

1241 (c) Filing of Certificate of Cancellation of
1242 Registration of Domestic or Foreign Limited Liability Partnership
1243 -- Twenty-five Dollars (\$25.00).

1244 (d) Any other document required or permitted to be
1245 filed by this chapter -- Twenty-five Dollars (\$25.00).

1246 **SECTION 57.** Section 79-12-113, Mississippi Code of 1972, is
1247 reenacted as follows:

1248 79-12-113. The Secretary of State shall have the powers
1249 reasonably necessary to perform the duties required of him under
1250 the provisions of this chapter.

1251 **SECTION 58.** Section 79-12-115, Mississippi Code of 1972, is
1252 reenacted as follows:

1253 79-12-115. Limited liability partnerships and foreign
1254 limited liability partnerships shall be classified as entities for
1255 state tax purposes in the same manner as such entities are
1256 classified for federal income tax purposes.

1257 **SECTION 59.** Section 79-12-117, Mississippi Code of 1972, is
1258 reenacted as follows:

1259 79-12-117. If any provision of this chapter or its
1260 application to any person or circumstance is held invalid, the
1261 invalidity does not affect other provisions or applications of
1262 this chapter which can be given effect without the invalid
1263 provision or application, and to this end the provisions of this
1264 chapter are severable.

1265 **SECTION 60.** Section 79-12-119, Mississippi Code of 1972, is
1266 reenacted as follows:

1267 79-12-119. Sections 79-31-1, 79-31-3, 79-31-5, 79-31-7,
1268 79-31-9, 79-31-11, 79-31-13, 79-31-15, 79-31-17, 79-31-19,
1269 79-31-21, 79-31-23, 79-31-25, 79-31-27, 79-31-29, 79-31-31,
1270 79-31-33, 79-31-35, 79-31-37 and 79-31-39, Mississippi Code of
1271 1972, which relate to the registration of foreign limited
1272 liability partnerships, are hereby repealed. All foreign limited
1273 liability partnerships registered pursuant to the provisions of
1274 Sections 79-31-1 through 79-31-39, Mississippi Code of 1972, shall
1275 be deemed to be registered pursuant to the provisions of this
1276 chapter and shall be governed by this chapter.

1277 **SECTION 61.** Section 1207, Chapter 458, Laws of 2004, is
1278 amended as follows:

1279 Section 1207. Sections 79-12-1, 79-12-3, 79-12-5, 79-12-7,
1280 79-12-9, 79-12-11, 79-12-13, 79-12-15, 79-12-17, 79-12-19,
1281 79-12-21, 79-12-23, 79-12-25, 79-12-27, 79-12-29, 79-12-31,
1282 79-12-33, 79-12-35, 79-12-37, 79-12-39, 79-12-41, 79-12-43,
1283 79-12-45, 79-12-47, 79-12-49, 79-12-51, 79-12-53, 79-12-55,
1284 79-12-57, 79-12-59, 79-12-61, 79-12-63, 79-12-65, 79-12-67,
1285 79-12-69, 79-12-71, 79-12-73, 79-12-75, 79-12-77, 79-12-79,
1286 79-12-81, 79-12-83, 79-12-85, 79-12-87, 79-12-89, 79-12-91,
1287 79-12-93, 79-12-95, 79-12-97, 79-12-99, 79-12-101, 79-12-103,
1288 79-12-105, 79-12-107, 79-12-109, 79-12-111, 79-12-113, 79-12-115,
1289 79-12-117 and 79-12-119, Mississippi Code of 1972, which
1290 constitute the Mississippi Uniform Partnership Law, shall stand
1291 repealed on January 1, 2009.

1292 **SECTION 62.** This act shall take effect and be in force from
1293 and after July 1, 2006.