

Amendment of the Limited Partnerships Act 1907

- 2.—(1) The Act is amended as follows.
- (2) In section 3 (interpretation of terms) at the end insert—
- ““Private fund limited partnership” means a limited partnership that is designated under section 8(2) as a private fund limited partnership.”.
- (3) In section 4 (definition and constitution of limited partnership)(a)—
- (a) in subsection (2) omit the words from “, who shall at the time” onwards;
- (b) after subsection (2) insert—
- “(2A) Each limited partner in a limited partnership that is not a private fund limited partnership shall, at the time of entering into the partnership, contribute to the partnership a sum or sums as capital or property valued at a stated amount, and shall not be liable for the debts or obligations of the firm beyond the amount so contributed.
- (2B) A limited partner in a private fund limited partnership—
- (a) is under no obligation to contribute any capital or property to the partnership unless otherwise agreed between the partners, and
- (b) is not liable for the debts or obligations of the firm beyond the amount of the partnership property which is available to the general partners to meet such debts or obligations.”;
- (c) in subsection (3) for “A limited partner” substitute “Subject to subsection (3A), a limited partner”;
- (d) after subsection (3) insert—
- “(3A) In the case of a limited partner in a private fund limited partnership—
- (a) where the limited partnership was registered on or after 6th April 2017, subsection (3) does not apply;
- (b) where the limited partnership was registered before 6th April 2017, subsection (3) applies only in relation to the amount of any contribution made by the limited partner when the limited partnership was not a private fund limited partnership.”.
- (4) In section 6 (modifications of general law in case of limited partnerships)(b)—
- (a) after subsection (1) insert—
- “(1A) Section 6A (private fund limited partnerships: actions by limited partners) makes provision, in respect of limited partners in private fund limited partnerships, supplementing subsection (1).”;
- (b) in subsection (3), after “limited partnership” insert “, other than a private fund limited partnership.”;
- (c) after subsection (3) insert—
- “(3A) If a private fund limited partnership is dissolved at a time when the partnership has at least one general partner, the affairs of the partnership must be wound up by those who are general partners at that time, subject to any express or implied agreement between the partners as to the winding up of the affairs of the partnership.
- (3B) If a private fund limited partnership is dissolved at a time when the partnership does not have a general partner, the affairs of the partnership must be wound up by a person who is not a limited partner, appointed by those who are limited partners at that time, subject to any express or implied agreement between them as to the winding up of the affairs of the limited partnership.

(a) Section 4 was amended by the Statute Law Revision Act 1927 (c. 42) and Schedule 7 to the Banking Act 1979 (c. 37), and S.I. 2002/3203 and 2003/2904.

(b) Section 6 was amended by Schedule 6 to the Companies (Consolidation) Act 1908 (c. 69).

(3C) Except in the phrase “a person who is not a limited partner” in subsection (3B), references in subsections (3A) and (3B) to partners do not include a partner who is insolvent.

(3D) Subsections (3A) and (3B) have effect subject to any order of the court as to the winding up of the affairs of the partnership.”;

(d) in subsection (5), after paragraph (e) insert—

“(f) A limited partner in a private fund limited partnership is not subject to the duties in—

(i) section 28 of the Partnership Act 1890(a) (duty of partners to render accounts, etc), or

(ii) section 30 of that Act (duty of partner not to compete with firm).”;

(e) after subsection (5) insert—

“(6) Section 36(1) of the Partnership Act 1890 (rights of persons dealing with firm against apparent members of firm) does not apply where a partner in a private fund limited partnership ceases to be a member of the firm.”.

(5) After section 6 insert—

“Private fund limited partnerships: actions by limited partners

6A.—(1) A limited partner in a private fund limited partnership is not to be regarded as taking part in the management of the partnership business for the purposes of section 6(1) merely because the limited partner takes any action listed in subsection (2).

(2) The actions are—

(a) taking part in a decision about—

(i) the variation of, or waiver of a term of, the partnership agreement or associated documents;

(ii) whether the general nature of the partnership business should change;

(iii) whether a person should become or cease to be a partner;

(iv) whether the partnership should end or the term of the partnership should be extended;

(b) appointing a person to wind up the partnership pursuant to section 6(3B);

(c) enforcing an entitlement under the partnership agreement, provided that the entitlement does not involve a limited partner taking part in the management of the partnership business;

(d) entering into, or acting under, a contract with the other partners in the partnership, provided that the contract does not require, or the action under the contract does not involve, a limited partner taking part in the management of the partnership business;

(e) providing surety or acting as guarantor for the partnership;

(f) approving the accounts of the partnership;

(g) reviewing or approving a valuation of the partnership’s assets;

(h) discussing the prospects of the partnership business;

(i) consulting or advising with a general partner or any person appointed to manage or advise the partnership about the affairs of the partnership or about its accounts;

(j) taking part in a decision regarding changes in the persons responsible for the day-to-day management of the partnership;

(a) 1890 c. 39.

- (k) acting, or authorising a representative to act, as a director, member, employee, officer or agent of, or a shareholder or partner in—
 - (i) a general partner in the partnership; or
 - (ii) another person appointed to manage or advise the partnership in relation to the affairs of the partnership,

provided that this does not involve a limited partner taking part in the management of the partnership business or authorising a representative to take any action that would involve taking part in the management of the partnership business if taken by a limited partner;

- (l) appointing or nominating a person to represent the limited partner on a committee, authorising such a person to take any action in that capacity that would not involve taking part in the management of the partnership business if taken by the limited partner, or revoking such an appointment or nomination;
- (m) taking part in a decision about how the partnership should exercise any right as an investor in another collective investment scheme as defined in section 8D(4) (“master fund”), provided that the partnership’s exercise of the right would not cause the partnership to be liable for the debts or obligations of the master fund beyond the amount contributed, or agreed to be contributed, by the partnership to the master fund;
- (n) taking part in a decision approving or authorising an action proposed to be taken by a general partner or another person appointed to manage the partnership, including in particular a proposal in relation to—
 - (i) the disposal of all or part of the partnership business or the acquisition of another business by the partnership;
 - (ii) the acquisition or disposal of a type of investment or a particular investment by the partnership;
 - (iii) the exercise of the partnership’s rights in respect of an investment;
 - (iv) the participation by a limited partner in a particular investment by the partnership;
 - (v) the incurring, extension, variation or discharge of debt by the partnership;
 - (vi) the creation, extension, variation or discharge of any other obligation owed by the partnership.

(3) The fact that a decision that affects or relates to a private fund limited partnership involves an actual or potential conflict of interest is not of itself a reason to regard a limited partner in the partnership who takes part in the decision as taking part in the management of the partnership business for the purposes of section 6(1).

(4) Nothing in this section—

- (a) limits the circumstances in which a limited partner in a private fund limited partnership is not to be regarded as taking part in the management of the partnership business; or
- (b) affects the circumstances in which a limited partner in a limited partnership that is not a private fund limited partnership may, or may not, be regarded as taking part in the management of the partnership business.”.

(6) In section 8 (duty to register)(a)—

- (a) in the heading after “register” insert “and designate”;
- (b) the existing provision becomes subsection (1);
- (c) after that subsection insert—

(a) Section 8 was substituted by S.I. 2009/1940.

“(2) The registrar must designate a limited partnership on the register as a private fund limited partnership if an application for such designation is made to the registrar in accordance with section 8D.”.

(7) In section 8A (application for registration)(a)—

- (a) in subsection (1)(b), after “(2)” insert “or (3)”;
- (b) in subsection (2), for “The required” substitute “Except in the case of an application that is accompanied by an application for designation as a private fund limited partnership, the required”;
- (c) after subsection (2) insert—

“(3) In the case of an application that is accompanied by an application for designation as a private fund limited partnership, the required details are—

 - (a) the name of each general partner,
 - (b) the name of each limited partner, and
 - (c) the address of the proposed principal place of business of the limited partnership.”.

(8) In section 8C (certificate of registration)(b)—

- (a) in the heading, after “registration” insert “and certificate of designation as a private fund limited partnership”; and
- (b) after subsection (4) insert—

“(5) If a limited partnership is designated on the register as a private fund limited partnership, the registrar must issue a certificate of designation as a private fund limited partnership.

(6) The certificate must be signed by the registrar or authenticated with the registrar’s seal.

(7) The certificate must state—

- (a) the firm name and registration number of the limited partnership,
- (b) the date of designation as a private fund limited partnership, and
- (c) that the limited partnership is designated as a private fund limited partnership under this Act.

(8) A certificate of designation as a private fund limited partnership is conclusive evidence that the limited partnership was designated as a private fund limited partnership on the date of designation.

(9) If a limited partnership is designated as a private fund limited partnership at the same time as it is registered, the registrar may issue a combined certificate instead of issuing separate certificates under subsections (1) and (5), and that combined certificate—

- (a) must be signed by the registrar or authenticated with the registrar’s seal,
- (b) must state the particulars mentioned in subsections (3) and (7), and
- (c) is conclusive evidence that—
 - (i) a limited partnership came into existence on the date of registration, and
 - (ii) the limited partnership was designated as a private fund limited partnership on the date of registration.”.

(9) After section 8C insert—

(a) Section 8A was inserted by S.I. 2009/1940.
(b) Section 8C was inserted by S.I. 2009/1940.

“Application for designation as a private fund limited partnership

8D.—(1) An application for designation as a private fund limited partnership may be made with an application for registration under section 8A or at any time after a limited partnership has been registered.

(2) An application for designation as a private fund limited partnership must—

- (a) specify the firm name of the partnership;
- (b) specify the address of the partnership’s principal place of business or proposed principal place of business;
- (b) in the case of an application made after the firm is registered as a limited partnership, specify the limited partnership’s registration number and the date of registration;
- (c) include confirmation by a general partner that the partnership meets the private fund conditions;
- (d) be signed or otherwise authenticated by or on behalf of each general partner; and
- (e) be made to the registrar.

(3) The private fund conditions are that the partnership—

- (a) is constituted by an agreement in writing, and
- (b) is a collective investment scheme.

(4) In subsection (3) “collective investment scheme” has the same meaning as in Part 17 of the Financial Services and Markets Act 2000^(a) (see section 235 of that Act), ignoring any order made under section 235(5) of that Act^(b).”.

(10) In section 9 (registration of changes in partnerships)^(c), for subsection (1) substitute—

“(1) If during the continuance of a limited partnership any change is made or occurs as mentioned in subsection (1A), a statement, signed by the firm, specifying the nature of the change must within seven days be sent by post or delivered to the registrar.

(1A) The changes are—

- (a) in the case of any limited partnership, changes to—
 - (i) the firm name,
 - (ii) the principal place of business,
 - (iii) the partners or the name of any partner,
 - (iv) the liability of any partner by reason of the partner becoming a limited instead of a general partner or a general instead of a limited partner;
- (b) in the case of a limited partnership that is not a private fund limited partnership, changes to—
 - (i) the general nature of the business,
 - (ii) the term or character of the partnership,
 - (iii) the sum contributed by any limited partner;
- (c) in the case of a private fund limited partnership that was registered as a limited partnership before 6th April 2017, any withdrawal by a limited partner of the partner’s contribution which has the effect that the amount of the partner’s contribution is less than it was on the date on which the limited partnership was designated as a private fund limited partnership.”.

(a) 2000 c. 8.

(b) Section 235(5) provides that the Treasury may by order provide that arrangements do not amount to a collective investment scheme. S.I. 2001/1062 was made under that power, and S.I. 2001/3650, 2005/57, 2007/800, 2008/1641 and 1813 and 2015/754 and 2061 have amended that instrument.

(c) Section 9(1) was amended by S.I. 2009/1941.

(11) In section 10 (advertisement in Gazette of statement of general partner becoming a limited partner and of assignment of share of limited partner)(a)—

(a) in subsection (1) after “firm” in the first and third places in which it appears insert “that is not a private fund limited partnership”;

(b) after subsection (1) insert—

“(1A) Notice of any arrangement or transaction under which any person will cease to be a general partner in a private fund limited partnership shall be forthwith advertised in the Gazette.

(1B) Where a person deals with a private fund limited partnership after an arrangement or transaction of the type referred to in subsection (1A), that person is entitled to treat the person who is ceasing to be a general partner as still being a general partner of the firm until the person has notice of the arrangement or transaction.

(1C) Advertisement of a notice in accordance with subsection (1A) is notice to a person dealing with the firm for the purpose of subsection (1B).”.

(12) In section 15 (the registrar)(b) after subsection (2)(b) insert—

“(ba) references to the registrar in relation to an application for designation of a limited partnership as a private fund limited partnership made with an application for registration are to the registrar to whom the application for registration is to be made (see section 8A(1)(d));”.

(13) In section 16 (inspection of statements registered)(c)—

(a) in subsection (1) for “of the registration of any limited partnership” substitute “mentioned in section 8C”; and

(b) in subsection (2) for “of registration” substitute “mentioned in section 8C”.

Amendment of the Financial Services and Markets Act 2000

3. In section 235A of the Financial Services and Markets Act 2000 (contractual schemes)(d), in subsection (6) after paragraph (a) insert—

“(aa) that the limited partnership is not designated under section 8(2) of the Limited Partnerships Act 1907 as a private fund limited partnership;”.

Amendment of the Limited Partnerships (Forms) Rules 2009

4.—(1) The Limited Partnerships (Forms) Rules 2009(e) are amended as follows.

(2) In rule 3 (forms to be used for the purpose of the Limited Partnerships Act 1907)—

(a) in paragraph (1) after “Act” insert “which is not accompanied by an application for designation as a private fund limited partnership under that Act”;

(b) after paragraph (2) insert—

“(3) The form in Part 3 of the Schedule must be used for any application for the registration of a limited partnership under the 1907 Act which is accompanied by an application for designation as a private fund limited partnership under that Act.

(4) The form in Part 4 of the Schedule must be used for any application for designation as a private fund limited partnership under the 1907 Act which does not accompany an application for registration of a limited partnership under that Act.”.

(3) For the Schedule substitute the new Schedule set out in the Schedule to this Order.

(a) Section 10(2) was amended by S.I. 2009/1941.

(b) Section 15 was substituted by S.I. 2009/1941.

(c) Section 16 was amended by section 10(1) of the Decimal Currency Act 1969 (c. 19), Schedule 16 to the Companies Act 2006 (c. 46) and S.I. 2009/1941.

(d) 2000 c. 8. Section 235A was inserted by S.I. 2013/1388.

(e) S.I. 2009/2160. The form in Part 2 of the Schedule was substituted by S.I. 2013/1388.

Amendment of the Collective Investment in Transferable Securities (Contractual Scheme) Regulations 2013

5.—(1) Regulation 16 of the Collective Investment in Transferable Securities (Contractual Scheme) Regulations 2013 (modification of the Limited Partnerships Act 1907 for partnership schemes)(a) is amended as follows.

- (2) In paragraph (3)—
 - (a) omit sub-paragraph (a)(ii);
 - (b) after sub-paragraph (a) insert—
 - “(aa) in subsection (2A) there were omitted the words “and shall not be liable for the debts or obligations of the firm beyond the amount so contributed”;; and
 - (c) in sub-paragraph (b)—
 - (i) for “subsection (2)” substitute “subsection (2A)”;
 - (ii) the inserted subsections (2A) to (2C) become inserted subsections (2AA) to (2AC); and
 - (iii) in the inserted subsection (2AC) for “Subsection (2B)” substitute “Subsection (2AB)”.
- (3) In paragraph (6)—
 - (a) for “subsection (1)” substitute “subsection (1A)”;
 - (b) in sub-paragraph (a) for “paragraphs (d) and (f)” substitute “paragraphs (a)(iii) and (b)(iii)”.

Amendment of the European Long-term Investment Funds Regulations 2015

6.—(1) Regulation 9 of the European Long-term Investment Funds Regulations 2015 (modifications to the Limited Partnerships Act 1907)(b) is amended as follows.

- (2) In paragraph (2)—
 - (a) for sub-paragraph (a) substitute—
 - “(a) in subsection (2A) there were omitted the words “and shall not be liable for the debts or obligations of the firm beyond the amount so contributed”;;
 - (b) in sub-paragraph (b)—
 - (i) for “subsection (2)” substitute “subsection (2A)”;
 - (ii) the inserted subsections (2A) to (2C) become inserted subsections (2AA) to (2AC);
 - (iii) in the inserted subsection (2AA) after “limited partners” insert “in a limited partnership that is not a private fund limited partnership”;
 - (iv) in the inserted subsection (2AB) after “limited partner” insert “in a limited partnership that is not a private fund limited partnership”; and
 - (v) in the inserted subsection (2AC) for “Subsection (2B)” substitute “Subsection (2AB)”;
 - (c) in sub-paragraph (c) for “subsection (3)” substitute “subsections (2B)(b), (3) and (3A)”.
- (3) In paragraph (3)—
 - (a) in sub-paragraph (b) for “subsection (3)” substitute “subsections (3) and (3A)”;
 - (b) after sub-paragraph (b) omit “and”, and insert—
 - “(ba) in subsection (3B) the reference to “general partner” is to be read as a reference to “general partner or depositary of the European long-term investment fund”;;

(a) S.I. 2013/1388.

(b) S.I. 2015/1882.

(c) in sub-paragraph (c)(ii) for “paragraph (b)” substitute “paragraphs (b) and (f)”; and

(d) after sub-paragraph (c) insert—

“; and

(d) in subsection (6) after “does not apply where a” insert “limited”.”.

(4) In paragraph (5)—

(a) for “subsection (1)” substitute “subsection (1A)”; and

(b) in sub-paragraph (a) for “paragraphs (d) and (f)” substitute “paragraphs (a)(iii) and (b)(iii)”.

Name

Name

Date

Two of the Lords Commissioners of Her Majesty’s Treasury

SCHEDULE

Article 4(3)

New Schedule to the Limited Partnerships (Forms) Rules 2009

“SCHEDULE

Rule 3

Forms to be used for the purposes of the Limited Partnerships Act 1907

PART 1

Form for Registration of Limited Partnerships

A fee is payable with this form.

LP5

LIMITED PARTNERSHIPS ACT 1907

Application for Registration of a Limited Partnership

(In accordance with section 8A of the Limited Partnerships Act 1907)

Name of firm ● _____

We, the undersigned, being the partners of the above-named firm, hereby apply for registration as a limited partnership and for that purpose supply the following details:

The general nature of the business

Address of the proposed principal place of business of the limited partnership

The term, if any, for which the limited partnership is to be entered into ●

Please give the name and signature of each general partner

Name	Signature

Please give the name, amount contributed and signature of each limited partner

Name	Amount contributed ●	Signature

- State the name under which the limited partnership is to be registered. This must include the appropriate name ending required by section 8B of the Limited Partnerships Act 1907.
- This begins with the date of registration.
- State the amount contributed by each limited partner, and whether paid in cash, or how otherwise.

This form is not to be used to apply for registration of a private fund limited partnership and does not include that application (use form LP7).

Please be aware that all information on this form will be available on the public record.
When you have completed the form, please send to the Registrar of Companies.

Presented by:

Presenter's reference:

PART 2

Form for Registering Changes to Limited Partnerships

LP6

Limited Partnerships Act 1907

Statement specifying the nature of a change in the limited partnership

Pursuant to section 9 of the Limited Partnerships Act 1907

Registration No. _____

Name of firm _____

The changes specified below have been made or have occurred in this limited partnership:

(Please see notes page 3)

a. Firm name	Previous name	New name
b. Principal place of business	Previous place of business	New place of business
c. Change in partners or the name of any partner (see note 2) In the case of an authorised partnership, only state any change in the general partner or in the name of the general partner		
d. The liability of any partner by reason of the partner becoming a limited instead of a general partner or a general instead of a limited partner		
e. General nature of the business (not applicable to a private fund limited partnership)	Business previously carried on	Business now carried on
f. Term or character of the partnership (see note 2) (not applicable to a private fund limited partnership) Where the change in character is authorisation as an authorised partnership, or the revocation of such authorisation, give the date and the number of the authorisation order	Change in character	Previous term
		New term

g. The sum contributed by any limited partner (see note 3) (not applicable to an authorised partnership)			
Statement of increase in capital contributions to a limited partnership (which is not an authorised partnership or a private fund limited partnership)			
Name of limited partner	Increase or additional sum now contributed (if otherwise than in cash, that fact, with particulars, must be stated)	Total amount contributed (if otherwise than in cash, that fact, with particulars, must be stated)	

Signature of firm _____

Presented by:

Presenter's reference:

This form is also to be used to notify changes in a limited partnership which is a partnership scheme (within the meaning given by section 235A(5) of the Financial Services and Markets Act 2000) for which an authorisation order has been made under section 261D of that Act or a limited partnership which has been authorised under Regulation (EU) No 2015/780 of the European Parliament and of the Council of 29th April 2015 on European Long-term Investment Funds ("an authorised partnership"). The requirement to notify changes in partnerships under section 9 of the Limited Partnerships Act 1907 has been modified for authorised partnerships by regulation 16(6) of the Collective Investment in Transferable Securities (Contractual Scheme) Regulations 2013 and by regulation 9 of the European Long-term Investment Funds Regulations 2015.

NOTES

1. Changes brought about by death, by transfer of interests, by increase in the number of partners, or by change of name of any partner, must be notified here. In the case of an authorised partnership, any change in the general partner or in the name of the general partner must be notified here (no change in the limited partners or in the name of a limited partner is required to be notified).
2. If there is, or was, no definite term, then state against 'previous term' the conditions under which the partnership was constituted and against any 'new term' the conditions under which it is now constituted. In the case of an authorised partnership, notify here the making or revocation of the authorisation order by the Financial Conduct Authority (include the authorisation order).
3. Any variation in the sum contributed by any limited partner must be stated in section g. A statement of any increase in the amount of the partnership capital, whether arising from increase of contributions, or from introduction of fresh partners must also be stated here. In the case of an authorised partnership, or a partnership which has been designated as a private fund limited partnership, no change in the sum contributed by a limited partner is required to be notified (except as mentioned below).

In the case of a private fund limited partnership that was registered as a limited partnership before 6 April 2017, you should show any withdrawal by a limited partner of the partner's contribution which has the effect that the amount of the partner's contribution is less than it was on the date on which the limited partnership was designated as a private fund limited partnership.
4. Each change must be entered in the proper section a., b., c., d., e., f. and g. as the case may be. Provision is made in this form for notifying all the changes required by the Act to be notified, but it will frequently happen that only one change has to be notified. In any such case, the word 'Nil' should be inserted in the other sections. Sections e and f do not apply (and section g applies only in limited circumstances) to a limited partnership which has been designated as a private fund limited partnership.

The statement must be signed at the end by the firm, and sent by post or delivered to the Registrar of Companies for registration within seven days of the changes taking place.

Please be aware that all information on this form will be available on the public record.

PART 3

Form for Registration of Limited Partnerships to be Designated as Private Fund Limited Partnerships

A fee is payable with this form.

LP7

LIMITED PARTNERSHIPS ACT 1907

Application for registration of a limited partnership as a private fund limited partnership

(In accordance with sections 8A & 8D of the Limited Partnerships Act 1907)

This form is to be used to register new private fund limited partnerships only. Applications to designate an existing limited partnership as a private fund limited partnership should use form LP8

Name of firm ●

We, the undersigned, being the partners of the above-named firm, hereby apply for registration as a limited partnership and for that purpose supply the following details which include an application for designation as a private fund limited partnership:

Address of the proposed principal place of business of the limited partnership

Please give the name and signature of each limited partner

Name	Signature

I/We apply for the above-named firm to be designated as a private fund limited partnership and for that purpose confirm that the partnership meets the private fund conditions:- namely that it is constituted by an agreement in writing and is a collective investment scheme within the meaning of section 8D(4) of the Limited Partnerships Act 1907.

Please give the name and signature of each general partner

Name	Signature

Presented by:

Presenter's reference:

Notes

● State the name under which the limited partnership is to be registered. This must include the appropriate name ending required by section 8B of the Limited Partnerships Act 1907.

Please be aware that all information on this form will be available on the public record.

When you have completed the form, please send it to the Registrar of Companies.

PART 4

Form for Designation of Existing Limited Partnerships as Private Fund Limited Partnerships

LP8

LIMITED PARTNERSHIPS ACT 1907

Application for designation as a private fund limited partnership

(In accordance with section 8D of the Limited Partnerships Act 1907)

This form is to be used by existing limited partnerships only, applications to register a new private fund limited partnership should use form LP7.

Name of firm

Registered number

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Date of registration

d	d	m	m	y	y	y	y
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Address of the principal place of business

I/We apply for the above-named firm to be designated as a private fund limited partnership and for that purpose confirm that the partnership meets the private fund conditions:- namely that it is constituted by an agreement in writing and is a collective investment scheme within the meaning of section 8D(4) of the Limited Partnerships Act 1907.

Please give the name and signature of each general partner

Name	Signature

Notes

Pursuant to section 235A(6)(aa) of the Financial Services and Markets Act 2000, a limited partnership designated as a private fund limited partnership does not qualify as a 'partnership scheme', and therefore cannot be an authorised contractual scheme under that Act.

Please be aware that all information on this form will be available on the public record.

When you have completed the form, please send to the Registrar of Companies.

Presented by:

Presenter's reference:

EXPLANATORY NOTE

(This note is not part of the Order)

This Order enables a limited partnership which is a collective investment scheme to be designated as a private fund limited partnership (“PFLP”), and amends some of the provisions of the Limited Partnerships Act 1907 (c. 24) (“the Act”) as they apply to PFLPs and to partners in PFLPs.

Article 2 amends the Act. Paragraph (3) removes the requirement for limited partners to contribute capital to a PFLP. Paragraph (4) enables limited partners to appoint a person to wind up a PFLP if there is no other partner available to do so, and enables the partners to make an agreement as to winding up of a PFLP. Paragraph (5) inserts into the Act a list of actions which limited partners in a PFLP may take without being regarded as taking part in the management of the limited partnership and thus losing their limited liability status. This is not an exhaustive list of actions which do not amount to taking part in management, and it does not affect the position for other actions or other limited partnerships; neither does it give limited partners an entitlement to take actions in the list if they would not otherwise be permitted to do so within the terms of the partnership agreement. Paragraphs (6) to (9) deal with application for and designation of a partnership as a PFLP, and paragraphs (10) and (11) amend requirements to notify changes to a PFLP.

Article 3 amends the Financial Services and Markets Act 2000 (c. 8) such that a PFLP cannot also be a contractual scheme eligible for authorisation under Part 17 of that Act.

Article 4 and the Schedule make consequential amendments to the forms to be used for applications and notifications to the registrar.

Articles 5 and 6 make consequential amendments to the Collective Investment in Transferable Securities (Contractual Scheme) Regulations 2013 (S.I. 2013/1388) and the European Long-term Investment Funds Regulations 2015 (S.I. 2015/1882), both of which apply provisions of the Act with modifications.

An impact assessment of the effect that this Order will have on the costs of business and the voluntary sector is available from Her Majesty’s Treasury, 1 Horse Guards Road, London SW1A 2HQ and is published with the Explanatory Document alongside the Order on www.legislation.gov.uk.

Consolidated text of amendments

Legislation to be amended by the Legislative Reform (Private Fund Limited Partnerships) Order 2017

Limited Partnerships Act 1907 (1907 c. 24)

1 Short title

This Act may be cited for all purposes as the Limited Partnerships Act 1907.

2 [Repealed]

3 Interpretation of terms

In the construction of this Act the following words and expressions shall have the meanings respectively assigned to them in this section, unless there be something in the subject or context repugnant to such construction—

"Firm," "firm name," and "business" have the same meanings as in the Partnership Act 1890;

"General partner" shall mean any partner who is not a limited partner as defined by this Act;

"Private fund limited partnership" means a limited partnership that is designated under section 8(2) as a private fund limited partnership.

4 Definition and constitution of limited partnership

(1) Limited partnerships may be formed in the manner and subject to the conditions by this Act provided.

(2) A limited partnership must consist of one or more persons called general partners, who shall be liable for all debts and obligations of the firm, and one or more persons to be called limited partners, ~~who shall at the time of entering into such partnership contribute thereto a sum or sums as capital or property valued at a stated amount, and who shall not be liable for the debts or obligations of the firm beyond the amount so contributed.~~

(2A) Each limited partner in a limited partnership that is not a private fund limited partnership shall, at the time of entering into the partnership, contribute to the partnership a sum or sums as capital or property valued at a stated amount, and shall not be liable for the debts or obligations of the firm beyond the amount so contributed.

(2B) A limited partner in a private fund limited partnership—

(a) is under no obligation to contribute any capital or property to the partnership unless otherwise agreed between the partners, and

(b) is not liable for the debts or obligations of the firm beyond the amount of the partnership property which is available to the general partners to meet such debts or obligations.

~~(3) Subject to subsection (3A), a limited partner shall not during the continuance of the partnership, either directly or indirectly, draw out or receive back any part of his contribution, and if he does so draw out or receive back any such part shall be liable for the debts and obligations of the firm up to the amount so drawn out or received back.~~

(3A) In the case of a limited partner in a private fund limited partnership—

(a) where the limited partnership was registered on or after 6th April 2017, subsection (3) does not apply;

(b) where the limited partnership was registered before 6th April 2017, subsection (3) applies only in relation to the amount of any contribution made by the limited partner when the limited partnership was not a private fund limited partnership.

(4) A body corporate may be a limited partner.

5 Registration of limited partnership required

Every limited partnership must be registered as such in accordance with the provisions of this Act.

6 Modifications of general law in case of limited partnerships

(1) A limited partner shall not take part in the management of the partnership business, and shall not have power to bind the firm:

Provided that a limited partner may by himself or his agent at any time inspect the books of the firm and examine into the state and prospects of the partnership business, and may advise with the partners thereon.

If a limited partner takes part in the management of the partnership business he shall be liable for all debts and obligations of the firm incurred while he so takes part in the management as though he were a general partner.

(1A) Section 6A (private fund limited partnerships: actions by limited partners) makes provision, in respect of limited partners in private fund limited partnerships, supplementing subsection (1).

(2) A limited partnership shall not be dissolved by the death or bankruptcy of a limited partner, and the lunacy of a limited partner shall not be a ground for dissolution of the partnership by the court unless the lunatic's share cannot be otherwise ascertained and realised.

(3) In the event of the dissolution of a limited partnership, other than a private fund limited partnership, its affairs shall be wound up by the general partners unless the court otherwise orders.

(3A) If a private fund limited partnership is dissolved at a time when the partnership has at least one general partner, the affairs of the partnership must be wound up by those who are general partners at that time, subject to any express or implied agreement between the partners as to the winding up of the affairs of the partnership.

(3B) If a private fund limited partnership is dissolved at a time when the partnership does not have a general partner, the affairs of the partnership must be wound up by a person who is not a limited partner, appointed by those who are limited partners at that time, subject to any express or implied agreement between them as to the winding up of the affairs of the limited partnership.

(3C) Except in the phrase "a person who is not a limited partner" in subsection (3B), references in subsections (3A) and (3B) to partners do not include a partner who is insolvent.

(3D) Subsections (3A) and (3B) have effect subject to any order of the court as to the winding up of the affairs of the partnership.

(4) [Repealed]

(5) Subject to any agreement expressed or implied between the partners—

(a) Any difference arising as to ordinary matters connected with the partnership business may be decided by a majority of the general partners;

(b) A limited partner may, with the consent of the general partners, assign his share in the partnership, and upon such an assignment the assignee shall become a limited partner with all the rights of the assignor;

(c) The other partners shall not be entitled to dissolve the partnership by reason of any limited partner suffering his share to be charged for his separate debt;

(d) A person may be introduced as a partner without the consent of the existing limited partners;

(e) A limited partner shall not be entitled to dissolve the partnership by notice;

(f) A limited partner in a private fund limited partnership is not subject to the duties

in—

(i) section 28 of the Partnership Act 1890 () (duty of partners to render accounts, etc), or

(ii) section 30 of that Act (duty of partner not to compete with firm).

(6) Section 36(1) of the Partnership Act 1890 (rights of persons dealing with firm against apparent members of firm) does not apply where a partner in a private fund limited partnership ceases to be a member of the firm.

6A Private fund limited partnerships: actions by limited partners

(1) A limited partner in a private fund limited partnership is not to be regarded as taking part in the management of the partnership business for the purposes of section 6(1) merely because the limited partner takes any action listed in subsection (2).

(2) The actions are—

(a) taking part in a decision about—

(i) the variation of, or waiver of a term of, the partnership agreement or associated documents;

(ii) whether the general nature of the partnership business should change;

(iii) whether a person should become or cease to be a partner;

(iv) whether the partnership should end or the term of the partnership should be extended;

(b) appointing a person to wind up the partnership pursuant to section 6(3B);

(c) enforcing an entitlement under the partnership agreement, provided that the entitlement does not involve a limited partner taking part in the management of the partnership business;

(d) entering into, or acting under, a contract with the other partners in the partnership, provided that the contract does not require, or the action under the contract does not involve, a limited partner taking part in the management of the partnership business;

(e) providing surety or acting as guarantor for the partnership;

(f) approving the accounts of the partnership;

(g) reviewing or approving a valuation of the partnership's assets;

(h) discussing the prospects of the partnership business;

(i) consulting or advising with a general partner or any person appointed to manage or advise the partnership about the affairs of the partnership or about its accounts;

(j) taking part in a decision regarding changes in the persons responsible for the day-to-day management of the partnership;

(k) acting, or authorising a representative to act, as a director, member, employee, officer or agent of, or a shareholder or partner in—

(i) a general partner in the partnership; or

(ii) another person appointed to manage or advise the partnership in relation to the affairs of the partnership,

provided that this does not involve a limited partner taking part in the management of the partnership business or authorising a representative to take any action that would involve taking part in the management of the partnership business if taken by a limited partner;

(l) appointing or nominating a person to represent the limited partner on a committee, authorising such a person to take any action in that capacity that would not involve taking part in the management of the partnership business if taken by the limited partner, or revoking such an appointment or nomination;

(m) taking part in a decision about how the partnership should exercise any right as an investor in another collective investment scheme as defined in section 8D(4) ("master fund"), provided that the partnership's exercise of the right would not cause the partnership to be liable for the debts or obligations of the master fund beyond the amount contributed, or agreed to be contributed, by the partnership to the master fund;

(n) taking part in a decision approving or authorising an action proposed to be taken by a general partner or another person appointed to manage the partnership, including in particular a proposal in relation to—

(i) the disposal of all or part of the partnership business or the acquisition of another business by the partnership;

(ii) the acquisition or disposal of a type of investment or a particular investment by the partnership;

(iii) the exercise of the partnership's rights in respect of an investment;

(iv) the participation by a limited partner in a particular investment by the partnership;

(v) the incurring, extension, variation or discharge of debt by the partnership;

(vi) the creation, extension, variation or discharge of any other obligation owed by the partnership.

(3) The fact that a decision that affects or relates to a private fund limited partnership involves an actual or potential conflict of interest is not of itself a reason to regard a limited partner in the partnership who takes part in the decision as taking part in the management of the partnership business for the purposes of section 6(1).

(4) Nothing in this section—

(a) limits the circumstances in which a limited partner in a private fund limited partnership is not to be regarded as taking part in the management of the partnership business; or

(b) affects the circumstances in which a limited partner in a limited partnership that is not a private fund limited partnership may, or may not, be regarded as taking part in the management of the partnership business.

7 Law as to private partnerships to apply where not excluded by this Act

Subject to the provisions of this Act, the Partnership Act 1890 and the rules of equity and of common law applicable to partnerships, except so far as they are inconsistent with the express provisions of the last-mentioned Act, shall apply to limited partnerships.

8 Duty to register and designate

(1) The registrar shall register a limited partnership if an application is made to the registrar in accordance with section 8A.

(2) The registrar must designate a limited partnership on the register as a private fund limited partnership if an application for such designation is made to the registrar in accordance with section 8D.

8A Application for registration

(1) An application for registration must—

- (a) specify the firm name, complying with section 8B, under which the limited partnership is to be registered,
- (b) contain the details listed in subsection (2) or (3),
- (c) be signed or otherwise authenticated by or on behalf of each partner, and
- (d) be made to the registrar for the part of the United Kingdom in which the principal place of business of the limited partnership is to be situated.

(2) Except in the case of an application that is accompanied by an application for designation as a private fund limited partnership, the required~~The required~~ details are—

- (a) the general nature of the partnership business,
- (b) the name of each general partner,
- (c) the name of each limited partner,
- (d) the amount of the capital contribution of each limited partner (and whether the contribution is paid in cash or in another specified form),
- (e) the address of the proposed principal place of business of the limited partnership,

and

- (f) the term (if any) for which the limited partnership is to be entered into (beginning with the date of registration).

(3) In the case of an application that is accompanied by an application for designation as a private fund limited partnership, the required details are—

- (a) the name of each general partner,
- (b) the name of each limited partner, and
- (c) the address of the proposed principal place of business of the limited partnership.

8B Name of limited partnership

(1) This section sets out conditions which must be satisfied by the firm name of a limited

partnership as specified in the application for registration.

- (2) The name must end with—
 - (a) the words "limited partnership" (upper or lower case, or any combination), or
 - (b) the abbreviation "LP" (upper or lower case, or any combination, with or without punctuation).
- (3) But if the principal place of business of a limited partnership is to be in Wales, its firm name may end with—
 - (a) the words "partneriaeth cyfyngedig" (upper or lower case, or any combination), or
 - (b) the abbreviation "PC" (upper or lower case, or any combination, with or without punctuation).

8C Certificate of registration and certificate of designation as a private fund limited partnership

- (1) On registering a limited partnership the registrar shall issue a certificate of registration.
- (2) The certificate must be—
 - (a) signed by the registrar, or
 - (b) authenticated with the registrar's seal.
- (3) The certificate must state—
 - (a) the firm name of the limited partnership given in the application for registration,
 - (b) the limited partnership's registration number,
 - (c) the date of registration, and
 - (d) that the limited partnership is registered as a limited partnership under this Act.
- (4) The certificate is conclusive evidence that a limited partnership came into existence on the date of registration.
- (5) If a limited partnership is designated on the register as a private fund limited partnership, the registrar must issue a certificate of designation as a private fund limited partnership.
- (6) The certificate must be signed by the registrar or authenticated with the registrar's seal.
- (7) The certificate must state—
 - (a) the firm name and registration number of the limited partnership,
 - (b) the date of designation as a private fund limited partnership, and
 - (c) that the limited partnership is designated as a private fund limited partnership under this Act.
- (8) A certificate of designation as a private fund limited partnership is conclusive evidence that the limited partnership was designated as a private fund limited partnership on the date of designation.
- (9) If a limited partnership is designated as a private fund limited partnership at the same time as it is registered, the registrar may issue a combined certificate instead of issuing separate certificates under subsections (1) and (5), and that combined certificate—
 - (a) must be signed by the registrar or authenticated with the registrar's seal,
 - (b) must state the particulars mentioned in subsections (3) and (7), and
 - (c) is conclusive evidence that—
 - (i) a limited partnership came into existence on the date of registration, and
 - (ii) the limited partnership was designated as a private fund limited partnership on the date of registration.

8D Application for designation as a private fund limited partnership

- (1) An application for designation as a private fund limited partnership may be made with an application for registration under section 8A or at any time after a limited partnership has been registered.
- (2) An application for designation as a private fund limited partnership must—
 - (a) specify the firm name of the partnership;
 - (b) specify the address of the partnership's principal place of business or proposed principal place of business;
 - (b) in the case of an application made after the firm is registered as a limited partnership, specify the limited partnership's registration number and the date of registration;

- (c) include confirmation by a general partner that the partnership meets the private fund conditions;
 - (d) be signed or otherwise authenticated by or on behalf of each general partner; and
 - (e) be made to the registrar.
- (3) The private fund conditions are that the partnership—
- (a) is constituted by an agreement in writing, and
 - (b) is a collective investment scheme.
- (4) In subsection (3) “collective investment scheme” has the same meaning as in Part 17 of the Financial Services and Markets Act 2000 (see section 235 of that Act), ignoring any order made under section 235(5) of that Act.

9 Registration of changes in partnerships

- (1) ~~If during the continuance of a limited partnership any change is made or occurs in—~~
- ~~(a) the firm name,~~
 - ~~(b) the general nature of the business,~~
 - ~~(c) the principal place of business,~~
 - ~~(d) the partners or the name of any partner,~~
 - ~~(e) the term or character of the partnership,~~
 - ~~(f) the sum contributed by any limited partner,~~
 - ~~(g) the liability of any partner by reason of his becoming a limited instead of a general partner or a general instead of a limited partner,~~
- ~~a statement, signed by the firm, specifying the nature of the change shall within seven days be sent by post or delivered to the registrar.~~

(1) If during the continuance of a limited partnership any change is made or occurs as mentioned in subsection (1A), a statement, signed by the firm, specifying the nature of the change must within seven days be sent by post or delivered to the registrar.

(1A) The changes are—

- (a) in the case of any limited partnership, changes to—
 - (i) the firm name,
 - (ii) the principal place of business,
 - (iii) the partners or the name of any partner,
 - (iv) the liability of any partner by reason of the partner becoming a limited instead of a general partner or a general instead of a limited partner;
- (b) in the case of a limited partnership that is not a private fund limited partnership, changes to—
 - (i) the general nature of the business,
 - (ii) the term or character of the partnership,
 - (iii) the sum contributed by any limited partner;
- (c) in the case of a private fund limited partnership that was registered as a limited partnership before 6th April 2017, any withdrawal by a limited partner of the partner’s contribution which has the effect that the amount of the partner’s contribution is less than it was on the date on which the limited partnership was designated as a private fund limited partnership.

(2) If default is made in compliance with the requirements of this section each of the general partners shall, on conviction under the Summary Jurisdiction Acts, be liable to a fine not exceeding one pound for each day during which the default continues.

10 Advertisement in Gazette of statement of general partner becoming a limited partner and of assignment of share of limited partner

(1) Notice of any arrangement or transaction under which any person will cease to be a general partner in any firm that is not a private fund limited partnership, and will become a limited partner in that firm, or under which the share of a limited partner in a firm that is not a private fund limited partnership will be assigned to any person, shall be forthwith advertised in the Gazette, and until notice of the arrangement or transaction is so advertised the arrangement or transaction shall, for the purposes of this Act, be deemed to be of no effect.

(1A) Notice of any arrangement or transaction under which any person will cease to be a general partner in a private fund limited partnership shall be forthwith advertised in the Gazette.

(1B) Where a person deals with a private fund limited partnership after an arrangement or transaction of the type referred to in subsection (1A), that person is entitled to treat the person who is ceasing to be a general partner as still being a general partner of the firm until the person has notice of the arrangement or transaction.

(1C) Advertisement of a notice in accordance with subsection (1A) is notice to a person dealing with the firm for the purpose of subsection (1B).

(2) For the purposes of this section, the expression "the Gazette" means—

In the case of a limited partnership registered in England, the London Gazette.

In the case of a limited partnership registered in Scotland, the Edinburgh Gazette.

In the case of a limited partnership registered in Northern Ireland, the Belfast Gazette.

11 [Repealed]

12 [Repealed]

13 Registrar to file statement and issue certificate of registration

On receiving any statement made in pursuance of this Act the registrar shall cause the same to be filed, and he shall send by post to the firm from whom such statement shall have been received a certificate of the registration thereof.

14 Register and index to be kept

The registrar shall keep a register and an index of all the limited partnerships registered as aforesaid, and of all the statements registered in relation to such partnerships.

15 The registrar

(1) The registrar of companies is the registrar of limited partnerships.

(2) In this Act—

(a) references to the registrar in relation to the registration of a limited partnership are to the registrar to whom the application for registration is to be made (see section 8A(1)(d));

(b) references to registration in a particular part of the United Kingdom are to registration by the registrar for that part of the United Kingdom;

(ba) references to the registrar in relation to an application for designation of a limited partnership as a private fund limited partnership made with an application for registration are to the registrar to whom the application for registration is to be made (see section 8A(1)(d));

(c) references to the registrar in relation to any other matter relating to a limited partnership are to the registrar for the part of the United Kingdom in which the partnership is registered.

16 Inspection of statements registered

(1) Any person may inspect the statements filed by the registrar; and any person may require a certificate ~~of the registration of any limited partnership mentioned in section 8C~~, or a copy of or extract from any registered statement, to be certified by the registrar.

(2) A certificate ~~of registration mentioned in section 8C~~ or a copy of or extract from any statement registered under this Act, if duly certified to be a true copy under the hand of the registrar (whom it shall not be necessary to prove to be the registrar) shall, in all legal proceedings, civil or criminal, and in all cases whatsoever be received in evidence.

17 Power to Board of Trade to make rules

The Board of Trade may make rules concerning any of the following matters—

- (a) [repealed];
- (b) The duties or additional duties to be performed by the registrar for the purposes of this Act;
- (c) The performance by assistant registrars and other officers of acts by this Act required to be done by the registrar;
- (d) The forms to be used for the purposes of this Act;
- (e) Generally, the conduct and regulation of registration under this Act and any matters incidental thereto.

Section 235A of the Financial Services and Markets Act 2000 (2000 c. 8)

235A Contractual schemes

- (1) In this Part "contractual scheme" means—
 - (a) a co-ownership scheme; or
 - (b) a partnership scheme.
- (2) In this Part "co-ownership scheme" means a collective investment scheme which satisfies the conditions in subsection (3).
- (3) The conditions are—
 - (a) that the arrangements constituting the scheme are contractual;
 - (b) that they are set out in a deed that is entered into between the operator and a depositary and meets the requirements of subsection (4);
 - (c) that the scheme does not constitute a body corporate, a partnership or a limited partnership;
 - (d) that the property subject to the scheme is held by, or to the order of, a depositary; and
 - (e) that either—
 - (i) the property is beneficially owned by the participants as tenants in common (or, in Scotland, is the common property of the participants); or
 - (ii) where the arrangements constituting the scheme provide for such pooling as is mentioned in section 235(3)(a) in relation to separate parts of the property, each part is beneficially owned by the participants in that part as tenants in common (or, in Scotland, is the common property of the participants in that part).
- (4) The deed—
 - (a) must contain a statement that the arrangements are intended to constitute a co-ownership scheme as defined in section 235A of the Financial Services and Markets Act 2000;
 - (b) must make provision for the issue and redemption of units;
 - (c) must—
 - (i) prohibit the transfer of units,
 - (ii) allow units to be transferred only if specified conditions are met, or
 - (iii) where the arrangements constituting the scheme provide for such pooling as is mentioned in section 235(3)(a) in relation to separate parts of the property, in relation to each separate part make provision falling within sub-paragraph (i) or (ii);
 - (d) must authorise the operator—
 - (i) to acquire, manage and dispose of property subject to the scheme; and
 - (ii) to enter into contracts which are binding on participants for the purposes of, or in connection with, the acquisition, management or disposal of property subject to the scheme; and
 - (e) must make provision requiring the operator and depositary to wind up the scheme in specified circumstances.
- (5) In this Part "partnership scheme" means a collective investment scheme which satisfies the conditions in subsection (6).
- (6) The conditions are—

- (a) that the scheme is a limited partnership;
- (aa) that the limited partnership is not designated under section 8(2) of the Limited Partnerships Act 1907 as a private fund limited partnership;
- (b) that the limited partnership—
 - (i) at any time has only one general partner; and
 - (ii) on formation has only one limited partner, who is a person nominated by the general partner ("the nominated partner");
- (c) that the arrangements constituting the partnership are set out in a deed that is entered into between the general partner and the nominated partner;
- (d) that the deed prohibits such pooling as is mentioned in section 235(3)(a) in relation to separate parts of the property; and
- (e) that the deed provides that if an authorisation order is made in respect of the limited partnership under section 261D(1)—
 - (i) the property subject to the scheme is to be held by, or to the order of, a person appointed to be a depositary;
 - (ii) the limited partners, other than the nominated partner, are to be the participants in the scheme; and
 - (iii) the partnership is not dissolved on any person ceasing to be a limited partner provided that there remains at least one limited partner.
- (7) In this section "general partner", "limited partner" and "limited partnership" have the same meaning as in the Limited Partnerships Act 1907.
- (8) In this Part "contractual scheme deed" means—
 - (a) in relation to a co-ownership scheme, the deed referred to in subsection (3)(b); and
 - (b) in relation to a partnership scheme, the deed referred to in subsection (6)(c).

Rule 3 of the Limited Partnerships (Forms) Rules 2009 (S.I. 2009/2160)

Forms to be used for the purpose of the Limited Partnerships Act 1907

- 3.—(1) The form in Part 1 of the Schedule must be used for any application for the registration of a limited partnership under the 1907 Act which is not accompanied by an application for designation as a private fund limited partnership under that Act.
- (2) The form in Part 2 of the Schedule must be used for any statement sent or delivered to the registrar under section 9 of the 1907 Act.
- (3) The form in Part 3 of the Schedule must be used for any application for the registration of a limited partnership under the 1907 Act which is accompanied by an application for designation as a private fund limited partnership under that Act.
- (4) The form in Part 4 of the Schedule must be used for any application for designation as a private fund limited partnership under the 1907 Act which does not accompany an application for registration of a limited partnership under that Act.

Note: The Schedule to the Limited Partnerships (Forms) Rules 2009 (SI 2009/2160) is substituted in its entirety by the Order. That Schedule (which contains forms) is not reproduced here.

Regulation 16 of the Collective Investment in Transferable Securities (Contractual Scheme) Regulations 2013 (S.I. 2013/1388)

Partnership schemes

- 16.—(1) The Limited Partnerships Act 1907 has effect with the following modifications in its application to a partnership scheme in respect of which an authorisation order is made.
- (2) In this regulation "authorisation order" means an order made under section 261D(1) of FSMA.
- (3) Section 4 (definition and constitution of limited partnership) is to be read as if—
- (a) in subsection (2)—

- (i) after the words "general partners, who" there were inserted ", subject to regulations 18 and 19 of the Collective Investment in Transferable Securities (Contractual Scheme) Regulations 2013,";
 - (ii) ~~for the words "who shall not be liable for the debts or obligations of the firm beyond the amount so contributed" there were substituted "whose liability for the debts or obligations of the firm is as set out in subsections (2A) and (2B).";~~
 - (aa) in subsection (2A) there were omitted the words "and shall not be liable for the debts or obligations of the firm beyond the amount so contributed";
 - (b) after subsection (2A)~~subsection (2)~~ there were inserted—
 - "(2AA) The limited partners are not liable for the debts or obligations of the firm beyond the amount of the partnership property which is available to the general partner to meet such debts or obligations.
 - (2AB) A person ("P") who ceases to be a limited partner ceases to have any liability for the debts or obligations of the firm.
 - (2AC) Subsection (2AB)~~Subsection (2B)~~ does not prevent the debts and obligations of the firm from being taken into account, after P has ceased to be a limited partner, in determining the value of P's share in the partnership."; and
 - (c) subsection (3) were omitted.
- (4) In section 6 (modifications of general law in case of limited partnerships)—
- (a) subsection (1) is to be read as if at the end there were inserted--
"For the purposes of this subsection, the exercise of rights conferred on limited partners by rules made under section 261I of the Financial Services and Markets Act 2000 does not constitute taking part in the management of the partnership business.".
 - (b) in subsection (3), the reference to the general partners is to be read as a reference to the general partner and the depository of the partnership scheme; and
 - (c) subsection (5) is to be read as if—
 - (i) the words "Subject to any agreement expressed or implied between the partners" were omitted; and
 - (ii) in paragraph (b), at the beginning there were inserted "Subject to any express agreement between the partners,".
- (5) Section 7 (law as to private partnerships to apply where not excluded by this Act) is to be read as if after the words "Subject to the provisions of this Act" there were inserted "as modified by regulation 16 of the Collective Investment in Transferable Securities (Contractual Scheme) Regulations 2013".
- (6) In section 9 (registration of changes in partnerships), subsection (1A)~~subsection (1)~~ is to be read as if—
- (a) paragraphs (a)(iii) and (b)(iii)~~paragraphs (d) and (f)~~ were omitted; and
 - (b) the changes giving rise to a duty to send a statement to the registrar included—
 - (i) the making and the revocation of an authorisation order in respect of a limited partnership; and
 - (ii) any change in the general partner or the name of the general partner of the limited partnership.
- (7) Section 10 (advertisement in Gazette of statement of general partner becoming a limited partner and of assignment of share of limited partner) does not apply.

Regulation 9 of the European Long-term Investment Funds Regulations 2015 (SI 2015/1882)

Modifications to the Limited Partnerships Act 1907

- 9.—(1) The Limited Partnerships Act 1907 has effect with the following modifications in its application to an ELTIF marketed to retail investors under Chapter 5 of the ELTIF Regulation.
- (2) Section 4 (definition and constitution of limited partnership) is to be read as if—
- (a) in subsection (2A) there were omitted the words "and shall not be liable for the debts or obligations of the firm beyond the amount so contributed";
 - (a) ~~in subsection (2), for the words "who shall not be liable for the debts or obligations~~

- of the firm beyond the amount so contributed" there were substituted "whose liability for the debts or obligations of the firm is as set out in subsections (2A) and (2B).";
- (b) after ~~subsection (2A)~~ ~~subsection (2)~~ there were inserted—
- "(2AA) The limited partners in a limited partnership that is not a private fund limited partnership are not liable for the debts or obligations of the firm beyond the amount of the partnership property which is available to the general partner to meet such debts or obligations.
- (2AB) A person ("P") who ceases to be a limited partner in a limited partnership that is not a private fund limited partnership ceases to have any liability for the debts or obligations of the firm.
- (2AC) ~~Subsection (2AB)~~ ~~Subsection (2B)~~ does not prevent the debts and obligations of the firm from being taken into account, after P has ceased to be a limited partner, in determining the value of P's share in the partnership."; and
- (c) ~~subsections (2B)(b), (3) and (3A)~~ ~~subsection (3)~~ were omitted.
- (3) In section 6 (modifications of general law in case of limited partnerships)—
- (a) subsection (1) is to be read as if at the end there were inserted the words—
- "For the purposes of this subsection, the exercise of rights conferred on limited partners by the rules or instruments of incorporation of a European long-term investment fund, authorised under Regulation (EU) No 2015/760 of the European Parliament and of the Council of 29th April 2015 on European Long-term Investment Funds, does not of itself constitute taking part in the management of the partnership business.";
- (b) in ~~subsections (3) and (3A)~~ ~~subsection (3)~~, the reference to "general partners" is to be read as a reference to "the general partner and the depositary of the European long-term investment fund"; ~~and~~
- (ba) in subsection (3B) the reference to "general partner" is to be read as a reference to "general partner or depositary of the European long-term investment fund";
- (c) subsection (5) is to be read as if—
- (i) the words "Subject to any agreement express or implied between the partners" were omitted; and
- (ii) in ~~paragraphs (b) and (f)~~ ~~paragraph (b)~~, at the beginning there were inserted the words "Subject to any express agreement between the partners,"; ~~and~~
- (d) in subsection (6) after "does not apply where a" insert "limited".
- (4) Section 7 (law as to private partnerships to apply where not excluded by this Act) is to be read as if after the words "Subject to the provisions of this Act," there were inserted "as modified by regulation 9 of the European Long-term Investment Funds Regulations 2015,".
- (5) In section 9 (registration of changes in partnerships), ~~subsection (1A)~~ ~~subsection (1)~~ is to be read as if—
- (a) ~~paragraphs (a)(iii) and (b)(iii)~~ ~~paragraphs (d) and (f)~~ were omitted; and
- (b) the changes giving rise to a duty to send a statement to the registrar included—
- (i) the granting and the revocation of a European long-term investment fund authorisation under Article 6 of the ELTIF Regulation in respect of a limited partnership; and
- (ii) any change in the general partner or the name of the general partner of a limited partnership.
- (6) Section 10 (advertisement in Gazette of statement of general partner becoming a limited partner and of assignment of share of limited partner) does not apply.

Certified as an accurate consolidated text of all the legislation to be amended
by the Legislative Reform (Private Fund Limited Partnerships) Order 2017
Government Legal Department