

MICHIGAN REVISED UNIFORM LIMITED PARTNERSHIP ACT (EXCERPT)
Act 213 of 1982

449.1402 Events causing cessation as general partner.

Sec. 402.

Except as approved by the specific written consent of all partners at the time, a person ceases to be a general partner of a limited partnership upon the happening of any of the following events:

- (1) The general partner withdraws from the limited partnership as provided in section 602.
- (2) The general partner is removed as a general partner in accordance with the partnership agreement.
- (3) Unless otherwise provided in the certificate of limited partnership, the general partner: (i) makes an assignment for the benefit of creditors; (ii) files a voluntary petition in bankruptcy; (iii) is adjudicated a bankrupt or insolvent; (iv) files a petition or answer seeking for himself or herself any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any statute, law, or regulation; (v) files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against him or her in any proceeding of this nature; or (vi) seeks, consents to, or acquiesces in the appointment of a trustee, receiver, or liquidator of the general partner or of all or any substantial part of his or her properties.
- (4) Unless otherwise provided in the certificate of limited partnership, 120 days after the commencement of any proceeding against the general partner seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any statute, law, or regulation, the proceeding has not been dismissed, or if within 90 days after the appointment without his or her consent or acquiescence of a trustee, receiver, or liquidator of the general partner or of all or any substantial part of his or her properties, the appointment is not vacated or stayed or within 90 days after the expiration of any such stay, the appointment is not vacated.
- (5) In the case of a general partner who is a natural person:
 - (i) His or her death.
 - (ii) The entry of an order by a court of competent jurisdiction adjudicating the general partner to be legally incapacitated or unable or incompetent to manage his or her person or estate.
- (6) In the case of a general partner who is acting as a general partner by virtue of being a trustee of a trust, the termination of the trust, but not merely the substitution of a new trustee.
- (7) In the case of a general partner that is a separate partnership, the dissolution and commencement of winding up of the separate partnership.
- (8) In the case of a general partner that is a corporation, the dissolution of the corporation or the revocation of its charter.
- (9) In the case of an estate, the distribution by the fiduciary of the estate's entire interest in the partnership.
- (10) In the case of a general partner that is any other legal entity, the cessation of the legal existence of the legal entity.
- (11) Any event specified in the partnership agreement as resulting in a person ceasing to be a general partner.

History: 1982, Act 213, Eff. Jan. 1, 1983