



Ohio Revised Code

Section 1782.439 Conversion of domestic limited partnership into another entity.

Effective: October 12, 2006

Legislation: House Bill 301 - 126th General Assembly

(A) Subject to division (B)(2) of this section, pursuant to a written declaration of conversion as provided in this section, a domestic limited partnership may be converted into a domestic or foreign entity other than a domestic limited partnership. The conversion also must be permitted by the chapter of the Revised Code or by the laws under which the converted entity will exist.

(B)(1) The written declaration of conversion shall set forth all of the following:

(a) The name and form of entity that is being converted, the name of the entity into which the entity will be converted, the form of the converted entity, and the jurisdiction of formation of the converted entity;

(b) If the converted entity is a domestic entity, the complete terms of all documents required under the applicable chapter of the Revised Code to form the converted entity;

(c) If the converted entity is a foreign entity, all of the following:

(i) The complete terms of all documents required under the law of its formation to form the converted entity;

(ii) The consent of the converted entity to be sued and served with process in this state, and the irrevocable appointment of the secretary of state as the agent of the converted entity to accept service of process in this state to enforce against the converted entity any obligation of the converting limited partnership or to enforce the rights of a dissenting limited partner of the converting limited partnership;

(iii) If the converted entity desires to transact business in this state, the information required to qualify or be licensed under the applicable chapter of the Revised Code ;



(d) All other statements and matters required to be set forth in the declaration of conversion by the applicable chapter of the Revised Code if the converted entity is a domestic entity, or by the laws under which the converted entity will be formed, if the converted entity is a foreign entity.

(e) The terms of the conversion; the mode of carrying them into effect; and the manner and basis of converting the interests or shares of the converting limited partnership into, or substituting the interests in the converting partnership for, interests, evidences of indebtedness, other securities, cash, rights, or any other property or any combination of interests, evidences of indebtedness, other securities, cash, rights, or any other property of the converted entity.

(2) No conversion or substitution described in this section shall be effected if there are reasonable grounds to believe that the conversion or substitution would render the converted entity unable to pay its obligations as they become due in the usual course of its affairs.

(C) The written declaration of conversion may set forth any of the following:

(1) The effective date of the conversion, which date may be on or after the date of the filing of the certificate of conversion pursuant to section 1782.4310 of the Revised Code;

(2) A provision authorizing the converting limited partnership to abandon the proposed conversion by action of the general partners of the converting limited partnership taken prior to the filing of the certificate of conversion pursuant to section 1782.4310 of the Revised Code;

(3) A statement of, or a statement of the method to be used to determine, the fair value of the assets owned by the converting limited partnership at the time of the conversion;

(4) The parties to the declaration of conversion in addition to the converting entity;

(5) Any additional provision necessary or desirable with respect to the proposed conversion or the converted entity.

(D) The general partners of the converting domestic limited partnership and, unless otherwise



provided in writing in the agreement of limited partnership, the limited partners of the converting domestic limited partnership must adopt the declaration of conversion in order to effect the conversion. Notwithstanding that the limited partners of a converting domestic limited partnership are not required to vote on a conversion, the declaration of conversion also must be adopted by the limited partners if the declaration of conversion makes any change to the partnership agreement then in effect or to the documents governing the organization of the converted entity, or authorizes any action that, if it were made or authorized apart from the conversion, would require such approval or adoption.

(E)(1) All partners, whether or not they are entitled to vote or act, shall be given written notice of any meeting of limited partners of a converting domestic limited partnership or of any proposed action by limited partners of a converting domestic limited partnership, which meeting or action is to adopt a declaration of conversion. The notice shall be given to the partners either as provided in writing in the limited partnership agreement or by mail at the partners' addresses as they appear on the records of the limited partnership, or in person. Unless the limited partnership agreement provides a shorter or longer period, notice shall be given not less than seven and not more than sixty days before the meeting or the effective date of the action.

(2) The notice described in division (E)(1) of this section shall be accompanied by a copy or a summary of the material provisions of the declaration of conversion.

(F) The unanimous vote or action of the general partners, or a different number or proportion as provided in writing in the partnership agreement, is required to adopt a declaration of conversion.

If the declaration of conversion would have an effect or authorize any action that under any applicable provision of law or the partnership agreement could be effected or authorized only by or pursuant to a specified vote or action of the partners, or of any class or group of partners, the declaration of conversion also must be adopted or approved by the same vote or action as would be required to effect that change or authorize that action.

(G) Each person that will continue to be or that will become a general partner of a partnership that is a converted entity in a conversion specifically shall agree to continue or to become, as the case may be, a general partner of the partnership that is the converted entity.



(H)(1) At any time before the filing of the certificate of conversion pursuant to section 1782.4310 of the Revised Code, the conversion may be abandoned by all of the general partners of the converting limited partnership or by any representatives authorized to do so by the declaration of conversion, or by the same vote as was required to adopt the declaration of conversion.

(2) The declaration of conversion may contain a provision authorizing less than all of the general partners to amend the declaration of conversion at any time before the filing of the certificate of conversion, except that, after the adoption of the declaration of conversion by the general partners, less than all the general partners are not authorized to amend the declaration of conversion to do any of the following:

(a) Alter or change the amount or kind of interests, shares, evidences of indebtedness, other securities, cash rights, or any other property to be received by the partners of the converting limited partnership in conversion of, or substitution for, their interests;

(b) Alter or change any term of the organizational documents of the converted entity except for alterations or changes that are adopted with the vote or action of the persons the vote or action of which would be required for the alteration or change after the conversion;

(c) Alter or change any other terms and conditions of the declaration of conversion if any of the alterations or changes, alone or in the aggregate, materially and adversely would affect the partners or any class or group of partners of the converting partnership.