



Limited Partnerships Act 1907

1907 CHAPTER 24 7 Edw 7

[^{F1} Application of other laws to limited partnerships]

[^{F1}6A. [^{F2}Private fund limited partnerships:] actions by limited partners U.K.]

[A limited partner in a limited partnership is not to be regarded as taking part in ^{F3}(A1) the management of the partnership business for the purposes of section 6(1) merely because the limited partner appoints a person to wind up the limited partnership pursuant to section 6(3B).]

(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;

[^{F4}(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;

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- (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 [^{F5}private fund] limited partnership is not to be regarded as taking part in the management of the partnership business; [^{F6}or]

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[^{F6}(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.]]

[^{F7}(5) Nothing in subsections (1) to (3) affects the circumstances in which a limited partner in a limited partnership that is not a private fund limited partnership may be regarded as taking part in the management of the partnership business.]

Textual Amendments

- F1** S. 6A inserted (6.4.2017) by [The Legislative Reform \(Private Fund Limited Partnerships\) Order 2017 \(S.I. 2017/514\)](#), arts. 1(2), **2(5)**
- F2** Words in s. 6A heading omitted (26.10.2023 but only so far as it confers a power to make regulations or relates to the exercise of the power, otherwise prosp.) by virtue of [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), **ss. 129(4)(a)**, 219(1)(2)(b)
- F3** S. 6A(A1) inserted (26.10.2023 but only so far as it confers a power to make regulations or relates to the exercise of the power, otherwise prosp.) by [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), **ss. 129(4)(b)**, 219(1)(2)(b)
- F4** S. 6A(2)(b) omitted (26.10.2023 but only so far as it confers a power to make regulations or relates to the exercise of the power, otherwise prosp.) by virtue of [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), **ss. 129(4)(c)**, 219(1)(2)(b)
- F5** Words in s. 6A(4)(a) omitted (26.10.2023 but only so far as it confers a power to make regulations or relates to the exercise of the power, otherwise prosp.) by virtue of [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), **ss. 129(4)(d)(i)**, 219(1)(2)(b)
- F6** S. 6A(4)(b) and word omitted (26.10.2023 but only so far as it confers a power to make regulations or relates to the exercise of the power, otherwise prosp.) by virtue of [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), **ss. 129(4)(d)(ii)**, 219(1)(2)(b)
- F7** S. 6A(5) inserted (26.10.2023 but only so far as it confers a power to make regulations or relates to the exercise of the power, otherwise prosp.) by [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), **ss. 129(4)(e)**, 219(1)(2)(b)

Changes to legislation:

There are currently no known outstanding effects for the Limited Partnerships Act 1907, Section 6A.