

UNITS AND LIMITED PARTNERSHIP CERTIFICATES

An explanation related to units and limited partnerships will be included on Certificate of Limited Partnership, Restated Certificate of Limited Partnership, and Certificate of Amendment forms for limited partnerships. The information will also be used as a standard paragraph to notify the submitter of Bureau policy regarding the term "unit".

The Michigan Revised Uniform Limited Partnership Act, PA 213 (MRULPA) of 1982 does not utilize or define the term "unit". Even given this fact, many individuals attempt to utilize that term and similar terms such as "unit of Interest" and "unit of partnership" in their Certificate of Limited Partnership. While in some instances that term is utilized to be synonymous with partnership, it is an undefined term which can lead to substantial problems as to the nature of interest. If limited partnership documents utilize such terminology, the submitter will be advised to clarify the terms by using definitions which tie into the Michigan Revised Uniform Limited Partnership Act's statutory framework.

The above policy shall be adopted immediately and remain in effect unless rescinded or modified by the Bureau Director

Approved by Julie Croll, Director
Corporation, Securities and Land Development Bureau
On September 17, 1999