

previous Limited Partnership Act (§ 17(2) of the prior uniform law), but, again, a statute of limitations has been added. Subsection (b) is new. The provision of § 10-116(b) of the previous Limited Partnership Act (§ 17(2) of the prior uniform law), that stated that a partner holds as "trustee" any money or specific property wrongfully returned to him, has been eliminated.

#### SUBTITLE 7. ASSIGNMENT OF PARTNERSHIP INTERESTS

##### 10-701. NATURE OF PARTNERSHIP INTEREST.

A PARTNERSHIP INTEREST IS PERSONAL PROPERTY.

#### COMMENT

This section restates § 10-117 of the previous Limited Partnership Act except that it is no longer limited to a limited partner's interest. § 18 of the prior uniform law had defined a partner's interest in the partnership as "his share of the profits and surplus..." and stated that "the same is personal property", language which in part appears in § 10-101(1) of this title.

##### 10-702. ASSIGNMENT OF PARTNERSHIP INTEREST.

UNLESS OTHERWISE PROVIDED IN THE PARTNERSHIP AGREEMENT, A PARTNERSHIP INTEREST IS ASSIGNABLE IN WHOLE OR IN PART. AN ASSIGNMENT OF A PARTNERSHIP INTEREST DOES NOT DISSOLVE A LIMITED PARTNERSHIP OR ENTITLE THE ASSIGNEE TO BECOME OR TO EXERCISE ANY RIGHTS OF A PARTNER. AN ASSIGNMENT ENTITLES THE ASSIGNEE TO RECEIVE, TO THE EXTENT ASSIGNED, ONLY THE DISTRIBUTIONS TO WHICH THE ASSIGNOR WOULD BE ENTITLED.

#### COMMENT

§ 10-118(a) of the previous Limited Partnership Act (§ 19(1) of the prior uniform law) provided simply that "a limited partner's interest is assignable", raising a question as to whether any limitations on the right of assignment were permitted. While the first sentence of § 10-702 recognizes that the power to assign may be restricted in the partnership agreement, there was no intention to affect in any way the usual rules regarding restraints on alienation of personal property. The second and third sentences of § 10-702 are derived from § 10-118(c) of the previous Limited Partnership Act (§ 19(3) of the prior uniform law).

##### 10-703. RIGHT OF ASSIGNEE TO BECOME LIMITED PARTNER.

(A) IN GENERAL. AN ASSIGNEE OF A PARTNERSHIP INTEREST, INCLUDING AN ASSIGNEE OF A GENERAL PARTNER, MAY BECOME A LIMITED PARTNER IF AND TO THE EXTENT THAT:

(1) THE ASSIGNOR GIVES THE ASSIGNEE THAT RIGHT IN ACCORDANCE WITH AUTHORITY DESCRIBED IN THE CERTIFICATE; OR