

## COMMENT

This section is new and is derived from § 7-210 of this article.

## SUBTITLE 10. DERIVATIVE ACTIONS

## 10-1001. RIGHT OF ACTION.

A LIMITED PARTNER MAY BRING A DERIVATIVE ACTION TO ENFORCE A RIGHT OF A LIMITED PARTNERSHIP TO RECOVER A JUDGMENT IN ITS FAVOR TO THE SAME EXTENT THAT A STOCKHOLDER MAY BRING AN ACTION FOR A DERIVATIVE SUIT UNDER THE CORPORATION LAW OF MARYLAND. SUCH AN ACTION MAY BE BROUGHT IF GENERAL PARTNERS WITH AUTHORITY TO DO SO HAVE REFUSED TO BRING THE ACTION OR IF AN EFFORT TO CAUSE THOSE GENERAL PARTNERS TO BRING THE ACTION IS NOT LIKELY TO SUCCEED. THE DERIVATIVE ACTION MAY NOT BE MAINTAINED IF IT APPEARS THAT THE PLAINTIFF DOES NOT FAIRLY AND ADEQUATELY REPRESENT THE INTERESTS OF THE LIMITED PARTNERS IN ENFORCING THE RIGHT OF THE PARTNERSHIP.

## COMMENT

This section is new. Rule 328 of the Maryland Rules of Civil Procedure providing for security for costs will be conformed to include derivative actions by limited partners.

## 10-1002. PROPER PLAINTIFF.

IN A DERIVATIVE ACTION, THE PLAINTIFF MUST BE A PARTNER AT THE TIME OF BRINGING THE ACTION AND:

(1) HAVE BEEN A PARTNER AT THE TIME OF THE TRANSACTION OF WHICH HE COMPLAINS; OR

(2) HAVE HAD HIS STATUS AS A PARTNER DEVOLVE ON HIM BY OPERATION OF LAW FROM A PERSON WHO WAS A PARTNER AT THE TIME OF THE TRANSACTION.

## COMMENT

This section is new.

## 10-1003. PLEADING.

IN A DERIVATIVE ACTION, THE COMPLAINT SHALL SET FORTH WITH PARTICULARITY THE ATTEMPTS, IF ANY, OF THE PLAINTIFF TO SECURE INITIATION OF THE ACTION THE PLAINTIFF DESIRES BY A GENERAL PARTNER OR THE REASONS FOR NOT MAKING THE EFFORT.

## COMMENT

This section is new.

## 10-1004. EXPENSES.