



Primer: Nuts and Bolts of LLCs, LPs, and Partnerships

End of Life Issues

1

Voluntary Terminations & Winding Up §11.051

Events that require the winding up:

- (1) Expiration of duration;
 - (2) Voluntary decision;
 - (3) Occurrence of an event specified in the governing documents requiring winding up or termination;
 - (4) Event specified in other sections of the BOC;
- and
- (5) Court decree.

2

Supplemental Provisions for LLCs

§11.056

Termination of the continued membership of the last remaining member of the limited liability company requires winding up in accordance with §11.051(4) unless the legal representative or successor of the last remaining member agrees:

To continue the company; *and*

To become a member or to designate another person to become a member effective the date of termination.

3

Supplemental Provisions for GPs

§11.057

Voluntary decision to wind up requires the express will of a majority-in-interest of the partners who have not assigned their interests.

4

Supplemental Provisions for GPs §11.057

Unless...

- General partnership has a period of duration or is for a particular undertaking;
or
- Partnership agreement provides for winding up on occurrence of a specified event.

In which case, voluntary winding up requires the *express will of all of the partners*.

5

Supplemental Provisions for GPs § 11.057(c)

Events requiring winding up of the general partnership under §11.051(4) include:

- (1) Completion of the undertaking;
- (2) An event that makes it illegal for all or substantially all of the business to be continued;
or
- (3) Sale of all or substantially all of the property outside the ordinary course of business.

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