

List of feedback received during the previous consultation and considered, but for which no proposals for amendments to the LP Act have been made

The following are suggestions received during the selective consultation which were considered, but for which no proposals for amendments to the LP Act have been made:

1. To remove the renewal requirement for limited partnerships.
2. To revise or delete the requirement that the 'term' of the limited partnership to be indicated at registration as one or three years. (ACRA will separately conduct a review of the limited partnership registration form to clarify that the period indicated at registration/renewal relates to the period of registration and not the term of the limited partnership.)
3. To provide a conversion scheme for general partnerships to convert into limited partnerships.
4. To disallow corporate general partners for limited partnerships.
5. To allow a person to be both a general partner and a limited partner of a limited partnership.
6. To provide expressly in the LP Act that a limited partnership can have a foreign corporation (not registered in Singapore) as its sole general partner.
7. To allow a Singapore corporation to act as a local manager.
8. To remove the requirement to file particulars of limited partners at registration.
9. To remove the requirement to notify the Registrar if a partner withdraws from a limited partnership.
10. To clarify whether there is a lack of clarity on when a limited partner is treated in law as a limited partner i.e. (1) upon filing with ACRA or (2) upon appointment.
11. To set out in the LP Act the type of rights (for e.g. preferential information right, right of first refusal and most favoured nation rights) that can be assigned by a limited partner.
12. To amend the drafting of s8(1) LP Act (which relates to dissolution) such that it refers to s26 Partnership Act (which relates to retirement from a partnership).
13. To provide in the LP Act whether security can be granted over an interest in a limited partnership.
14. To provide in the LP Act the ownership of a limited partnership's property.
15. To provide expressly in the LP Act that s19 Partnership Act can be used to vary the duties in s28-s30 Partnership Act (which relate to the duty of a partners to render accounts, accountability of partners for private profits, and the duty of a partner not to compete with the partnership, respectively).
16. To provide in the LP Act that a general partner must act at all times in good faith and, subject to the partnership agreement, in the interests of the limited partnership.
17. To amend s7 LP Act (distributions to limited partners) such that the clawback obligation is triggered only if the limited partnership (as opposed to the general partner) is insolvent.
18. To remove the applicability of constructive knowledge in s7(2) and s7(3) LP Act (relating to clawback of distributions to limited partners).

19. To shorten the “clawback” time period in s7(2) and (3) LP Act (relating to clawback of distributions to limited partners) from 1 year to 6 months.
20. To introduce separate legal personality for limited partnerships.
21. To provide an express statement in the LP Act that limited partnerships have general contractual freedom.
22. To regulate penalty clauses in the LP Act.
23. To provide expressly in the LP Act that a limited partner is not necessarily taking part in the management of the limited partnership if he possesses or exercises some other power not found in the First Schedule to the LP Act (“Safe Harbour List”).

The following are suggestions received for additional activities to be included in the Safe Harbour List and which ACRA proposes not to include in the Safe Harbour List:

24. Discussing with or advising the investment manager of the limited partnership about the business, prospects, affairs or transactions of the limited partnership.
25. Approving or authorizing the general partner or another limited partner in the limited partnership, or the investment manager of the limited partnership, to do anything in connection with the business, prospects, affairs or transactions of the limited partnership.
26. Lending money to the limited partnership.
27. Borrowing money from the limited partnership.
28. Appointing a person to wind up the limited partnership.
29. Voting on a change in the activities or investment policy of the limited partnership.
30. Taking part in a decision on the limited partnership entering into contracts with other parties in relation to the business of the limited partnership.
31. Votes approving or authorising any partner or any person appointed to manage or advise the limited partnership to do anything in connection with the business, affairs and transactions of the limited partnership.

We also received a suggestion to define the type of rights that can be enforced under para 7 of the First Schedule (which relates to a limited partner’s enforcement of rights under the partnership agreement), that ACRA proposes not to include as an amendment.