

Memorandum

To : Alice, Jeanette, Barbara, Diane

Date January 27, 1984

No. M-84-018

From : **FAIR POLITICAL PRACTICES COMMISSION**

Janis *Janis*

Subject: Disclosure Required Under Nord

The information contained in the following hypothetical discussion should help you in answering questions about the disclosure required under the Nord Opinion, No. 83-004, Oct. 4, 1983.

Filer: I have an interest in a limited partnership. What am I required to report?

You: If the limited partnership is located in your agency's jurisdiction (is of the type described in your disclosure category), and if your interest in it is valued at \$1,000 or more, you report it on Schedule A - Investments. You may also be required to report any general partners in the limited partnership.

Filer: When are general partners required to be reported?

You: General partners must be reported only if all of the following are true:

1. There are no more than 35 partners in the limited partnership;
2. There are no more than two controlling general partners;
3. If there are two controlling partners, the filer has an interest in the partnership worth \$2,000 or more.

Filer: When is a general partner considered to be a "controlling" partner?

You: If there is only one general partner, he or she is always considered to be a "controlling" partner.

If there are two general partners:

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1. They are both "controlling" partners if they each have full legal authority to bind the firm by their actions;
2. Only one is a "controlling" partner if one general partner has full control (may be called a "managing" general partner) and the other general partner does not have control.

Filer: In the Manual, it says that, if a controlling general partner is a controlling general partner in another partnership or limited partnership or the controlling shareholder in a corporation, I may have to report it.

You: Since printing the Manual, we have decided to only require controlling general partners to be reported.

Filer: How should I report the controlling general partners?

You: On Schedule A - Investments, list the limited partnership and then put the names and addresses of the general partners underneath in parenthesis.

Filer: Why is this disclosure required?

You: I'll send you a copy of the Nord Opinion which explains the requirement. If, after reading it, you have any questions, please feel free to contact our Legal Division.

JSM:plh
