



AMT FÜR JUSTIZ
FÜRSTENTUM LIECHTENSTEIN

HANDELSREGISTER

Factsheet number
AJU/h70.002e.02

Factsheet date
08/2022

Direct contact
info.hr.aju@llv.li

Factsheet concerning the limited partnership (Art. 733 to Art. 755 of the Liechtenstein Persons and Companies Act (“PGR”))

1. Terminology and legal nature

A limited partnership is an association of two or more partners for an economic or non-economic purpose, whereby at least one partner has unlimited liability as a general partner and one or more partners (limited partners) have liability only up to a certain maximum amount (limited partnership sum). As a so-called partnership, the limited partnership is not a legal entity, but it does have legal capacity and the capacity to sue and be sued.¹

It is mandatory for the limited partnership to be entered in the Commercial Register.

2. Setting up the limited partnership

A limited partnership is formed when two or more natural persons, companies, private or public legal entities such as municipalities come together as partners by a written contract in such a way that at least one partner (general partner) has unlimited liability and at least one partner (limited partner) is liable only up to the limited partnership sum.²

3. Organisation of the limited partnership

As a partnership, the limited partnership does not have any managing bodies.

3.1 The partners of the limited partnership

The **general partner** is a partner of the limited partnership with unlimited liability and is liable with his private assets.

The **limited partner** is a partner with limited liability. He is liable vis-à-vis third parties only with the limited partnership sum recorded in the Commercial Register.³

3.2 The management

The management is the **joint responsibility of the partners with unlimited liability**, unless the partnership agreement assigns this to one general partner or to the limited partners or to third

¹ Art. 649 Para. 4 PGR

² Art. 733 Para. 1 PGR

³ Art. 742 Para. 1 PGR

parties.⁴ Representation is also performed by the partners with unlimited liability, unless otherwise agreed.⁵

4. Partnership agreement

The partners agree in a partnership agreement to pursue a common purpose with collective means. The partnership agreement, inter alia, also regulates the legal relationships between the respective partners.

5. Registered domicile of the limited partnership

The registered domicile of the limited partnership is located in the political municipality in which the business operations are located.

6. Purpose of the limited partnership

The purpose of the limited partnership may be both an economic and a non-economic one and may take any form permitted by law (e.g. trade in goods, acquisition of participations, financing, real estate management, etc.).

7. Capital of the limited partnership

The limited partnership has no minimum capital required by law. However, the respective limited partnership sum of the limited partners must be determined and recorded in the Commercial Register. If a limited partnership contribution is not made in cash, this must be expressly stated in the Commercial Register and is included in the entry in the Commercial Register together with a specific valuation.⁶

8. Liability and responsibility

The general partner is personally liable to the creditors of the limited partnership with his entire assets. The general partner cannot, however, be personally prosecuted for a partnership debt until the partnership has been dissolved or compulsory enforcement proceedings have been unsuccessfully conducted against it.

The limited partner is liable vis-à-vis third parties with the limited partnership sum recorded in the Commercial Register.⁷ For the duration of the limited partnership, its creditors have no direct right to bring a legal action against the limited partner.⁸

9. Account rendering, bookkeeping and disclosure obligations

Limited partnerships that engage in activities of a commercial nature are obliged to keep **proper accounts**.

Limited partnerships that do not engage in activities of a commercial nature and are not limited partnerships pursuant to Art. 1063 Para. 2 PGR must, taking into account the principles of proper

⁴ Art. 738 Para. 1 PGR

⁵ Art. 740 Para. 1 PGR

⁶ Art. 734 Para. 3 PGR

⁷ Art. 742 Para. 1 PGR

⁸ Art. 743 Para. 1 PGR

accounting, keep records appropriate to the financial circumstances and retain documents from which the course of business and the development of the assets can be traced.⁹

Limited partnership whose partners with unlimited liability are all corporations are obliged to **keep proper accounts** as well as being subject to a duty of **disclosure**, irrespective of whether or not they engage in activities of a commercial nature.¹⁰

The legal representatives of limited partnerships whose partners with unlimited liability are all corporations must submit the duly approved annual financial statements and the audit report to the **Office of Justice** before the end of the twelfth month following the balance sheet reporting date.¹¹

Under certain conditions, limited partnerships whose partners with unlimited liability are all corporations may, instead of filing the duly approved annual financial statements and the audit report, make the duly approved annual accounts and the audit report available for public inspection at the registered domicile of the partnership.¹²

10. Audit and review obligations¹³

Limited partnerships whose partners with unlimited liability are all corporations and that engage in activities of a commercial nature and are not classified as small or micro partnerships are subject to audit obligations pursuant to Art. 1058 Para. 1 of the Liechtenstein Persons and Companies Act (“PGR”).

In the case of limited partnerships whose partners with unlimited liability are all corporations and that engage in activities of a commercial nature and are classified as small or micro partnerships, the audit authority must conduct a review.

Limited partnerships whose partners with unlimited liability are all corporations and that engage in activities of a commercial nature and are classified as micro-partnerships may waive the audit review¹⁴ (for further details, see *Guidelines for the New Registration of a Limited Partnership*).

11. Legal principles

- *Persons and Companies Act (Personen- und Gesellschaftsrecht – “PGR”) of 20 January 1926 (Liechtenstein Law Gazette (“LGBI”) (1926 No. 4))*
- *Commercial Register Ordinance (Handelsregisterverordnung – “HRV”) of 11 February 2003 (LGBI. 2003 No. 66)*
- *Persons and Companies Ordinance of 19 December 2000 (Verordnung vom 19. Dezember 2000 zum Personen- und Gesellschaftsrecht); (LGBI. 2000 No. 281)*
- *Ordinance of 11 February 2003 concerning Land Register and Commercial Register Fees (Verordnung vom 11. Februar 2003 über die Grundbuch- und Handelsregistergebühren) (LGBI. 2003 No. 67)*

⁹ Art. 1045 Para. 3 PGR, Art. 1063 Para. 2 PGR

¹⁰ Art. 1045 Para. 2 PGR

¹¹ Art. 1122 Para. 1 PGR

¹² Art. 1122 Para. 3 PGR

¹³ Art. 1058 PGR

¹⁴ Art. 1058a PGR