

362.1-603 Effect of partner's dissociation.

- (1) If a partner's dissociation results in a dissolution and winding up of the partnership business, then KRS 362.1-801 to 362.1-807 apply; otherwise, KRS 362.1-701 to 362.1-705 apply.
- (2) Upon a partner's dissociation, the dissociating partner's:
 - (a) Right to participate in the management and conduct of the partnership business terminates, except as otherwise provided in KRS 362.1-803;
 - (b) Duty of loyalty under KRS 362.1-404(2)(c) terminates; and
 - (c) Duty of loyalty under KRS 362.1-404(2)(a) and (b) and duty of care under KRS 362.1-404(3) continue only with regard to matters arising and events occurring before the partner's dissociation, unless the partner participates in winding up the partnership's business pursuant to KRS 362.1-803.

Effective: July 12, 2006

History: Created 2006 Ky. Acts ch. 149, sec. 48, effective July 12, 2006.