

362.2-606 Power to bind and liability to partnership before dissolution of person dissociated as general partner.

- (1) After a person is dissociated as a general partner and before the limited partnership is dissolved, converted under KRS 362.2-951 to 362.2-963, or merged out of existence under KRS 362.2-951 to 362.2-963, the limited partnership is bound by an act of the person only if:
 - (a) The act would have bound the limited partnership under KRS 362.2-402 before the dissociation; and
 - (b) At the time the other party enters into the transaction:
 1. Less than two (2) years has passed since the dissociation; and
 2. The other party does not have notice of the dissociation and reasonably believes that the person is a general partner.
- (2) If a limited partnership is bound under subsection (1) of this section, then the person dissociated as a general partner is liable:
 - (a) To the limited partnership for any damage caused to the limited partnership arising from that obligation; and
 - (b) If a general partner or another person dissociated as a general partner is liable for that obligation, to that general partner or other person for any damage caused to that general partner or other person arising from that liability.

Effective: July 12, 2006

History: Created 2006 Ky. Acts ch. 149, sec. 143, effective July 12, 2006.