

362.190 Partner agent of partnership as to partnership business.

- (1) Subject to the limitations set forth in KRS 362.220(2), every partner shall be an agent of the partnership for the purpose of its business, and the act of every partner, including the execution in the partnership name of any instrument, for apparently carrying on in the usual way the business of the partnership of which he is a member shall bind the partnership, unless the partner so acting has in fact no authority to act for the partnership in the particular matter, and the person with whom he is dealing has knowledge of the fact that he has no authority.
- (2) An act of a partner which is not apparently for the carrying on of the business of the partnership in the usual way shall not bind the partnership unless authorized by the other partners.
- (3) Unless authorized by the other partners or unless they have abandoned the business, one (1) or more but less than all the partners shall have no authority to:
 - (a) Assign the partnership property in trust for creditors or on the assignee's promise to pay the debts of the partnership;
 - (b) Dispose of the goodwill of the business;
 - (c) Do any other act which would make it impossible to carry on the ordinary business of a partnership;
 - (d) Confess a judgment;
 - (e) Submit a partnership claim or liability to arbitration or reference.
- (4) No act of a partner in contravention of a restriction on authority shall bind the partnership to persons having knowledge of the restriction.

Effective: June 26, 2007

History: Repeal the prior repeal contained in 2006 Ky. Acts ch. 149, sec. 239, which was to have been effective January 1, 2008, 2007 Ky. Acts ch. 137, sec. 180, effective June 26, 2007. -- Repealed 2006 Ky. Acts ch. 149, sec. 239, effective January 1, 2008. -- Amended 1994 Ky. Acts ch. 389, sec. 96, effective July 15, 1994. -- Created 1954 Ky. Acts ch. 38, sec. 9, effective June 17, 1954.