

362.475 Liability upon return of contributions.

- (1) (a) If a partner receives the return of any part of his contribution without violation of the partnership agreement or KRS 362.403 to 362.525, he shall be liable to the limited partnership for a period of one (1) year thereafter for the amount of the returned contribution, without interest, but only to the extent necessary to discharge the limited partnership's liabilities to creditors who extended credit to the limited partnership during the period the contribution was held by the limited partnership.
- (b) If a partner receives the return of any part of his contribution in violation of the partnership agreement or KRS 362.403 to 362.525, he shall be liable to the limited partnership for a period of six (6) years thereafter for the amount of the contribution, without interest, wrongfully returned.
- (2) A partner shall receive a return of his contribution to the extent that a distribution to him reduces his share of the fair value of the net assets of the limited partnership below the value, as set forth in the partnership records required to be kept pursuant to KRS 362.409, of his contribution which has not been distributed to him.

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 -- Repealed 2006 Ky.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. -- Created 1988, Ky. Acts ch. 284, sec. 38, effective July 15, 1988.