

362.2-607 Liability to other persons of person dissociated as general partner.

- (1) A person's dissociation as a general partner does not of itself discharge the person's liability as a general partner for a limited partnership's obligation incurred before dissociation. Except as otherwise provided in subsections (2) and (3) of this section, the person is not liable for a limited partnership's obligation incurred after dissociation.
- (2) A person whose dissociation as a general partner resulted in a dissolution and winding up of the limited partnership's activities is liable to the same extent as a general partner under KRS 362.2-404 on an obligation incurred by the limited partnership under KRS 362.2-804.
- (3) A person that has dissociated as a general partner but whose dissociation did not result in a dissolution and winding up of the limited partnership's activities is liable on a transaction entered into by the limited partnership after the dissociation, only if:
 - (a) A general partner would be liable on the transaction; and
 - (b) At the time the other party enters into the transaction:
 1. Less than two (2) years have 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.
- (4) By agreement with the limited partnership's creditor and the limited partnership, a person dissociated as a general partner may be released from liability for a limited partnership's obligation.
- (5) A person dissociated as a general partner is released from liability for a limited partnership's obligation if a limited partnership's creditor, with notice of the person's dissociation as a general partner but without the person's consent, agrees to a material alteration in the nature or time of payment of the limited partnership's obligation.

Effective: July 12, 2006

History: Created 2006 Ky. Acts ch. 149, sec. 144, effective July 12, 2006.