

272A.10-080 Liability for improper distributions.

- (1) A director who consents to a distribution that violates KRS 272A.10-070 is personally liable to the limited cooperative association for the amount of the distribution which exceeds the amount that could have been distributed without the violation if it is established that in consenting to the distribution the director failed to comply with KRS 272A.8-180.
- (2) A member or transferee of financial rights which received a distribution knowing that the distribution was made in violation of KRS 272A.10-070 is personally liable to the limited cooperative association to the extent the distribution exceeded the amount that could have been properly paid.
- (3) A director against whom an action is commenced under subsection (1) of this section may:
 - (a) Implement in the action any other director who is liable under subsection (1) of this section and compel contribution from the person; and
 - (b) Implement in the action any person that is liable under subsection (2) of this section and compel contribution from the person in the amount the person received as described in subsection (2) of this section.
- (4) An action under this section is barred if it is commenced later than two (2) years after the distribution.

Effective: July 12, 2012

History: Created 2012 Ky. Acts ch. 160, sec. 84, effective July 12, 2012.