

362.439 Liability of person erroneously believing to be a limited partner.

- (1) Except as provided in subsection (2) of this section, a person who makes a contribution to a business enterprise and erroneously, but in good faith, believes that he has become a limited partner in the enterprise shall not be a general partner in the enterprise and shall not be bound by its obligations by reason of making the contribution, receiving distributions from the enterprise, or exercising any rights of a limited partner, if, within a reasonable time after ascertaining the mistake he:
 - (a) Causes an appropriate certificate of limited partnership or a certificate of amendment to be executed and filed; or
 - (b) Withdraws from future equity participation in the enterprise by executing and filing with the Secretary of State a certificate declaring withdrawal under this section.
- (2) A person who makes a contribution of the kind described in subsection (1) of this section shall be liable as a general partner to any third party who transacts business with the enterprise before the person withdraws and an appropriate certificate is filed to show withdrawal or before an appropriate certificate is filed to show that the person is not a general partner, but in either case, only if the third party actually believed in good faith that the person was a general partner at the time of the transaction.

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 -- Repealed 2006 Ky.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. 20, effective July 15, 1988.