

488.606 Power to bind liability to limited partnership before dissolution of partnership of person dissociated as general partner.

1. After a person is dissociated as a general partner and before the limited partnership is dissolved, converted under article 11, or merged out of existence under article 11, the limited partnership is bound by an act of the person only if all of the following apply:

a. The act would have bound the limited partnership under section 488.402 before the dissociation.

b. At the time the other party enters into the transaction, all of the following apply:

(1) Less than two years have passed since the dissociation.

(2) The other party does not have notice of the dissociation and reasonably believes that the person is a general partner.

2. If a limited partnership is bound under subsection 1, the person dissociated as a general partner which caused the limited partnership to be bound is liable to the following:

a. To the limited partnership for any damage caused to the limited partnership arising from the obligation incurred under subsection 1.

b. If a general partner or another person dissociated as a general partner is liable for the obligation, to the general partner or other person for any damage caused to the general partner or other person arising from the liability.

2004 Acts, ch 1021, §57, 118

Section takes effect January 1, 2005, and applies as provided in §488.1204; see §488.1207, 2004 Acts, ch 1021, §118