488.509 Liability for improper distributions.

1. A general partner that consents to a distribution made in violation of section 488.508 is personally liable to the limited partnership 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 general partner failed to comply with section 488.408.

2. A partner or transferee that received a distribution knowing that the distribution to that partner or transferee was made in violation of section 488.508 is personally liable to the limited partnership but only to the extent that the distribution received by the partner or transferee exceeded the amount that could have been properly paid under section 488.508.

3. A general partner against which an action is commenced under subsection 1 may do any or all of the following:

a. Implead in the action any other person that is liable under subsection 1 and compel contribution from the person.

b. Implead in the action any person that received a distribution in violation of subsection 2 and compel contribution from the person in the amount the person received in violation of subsection 2.

4. An action under this section is barred if it is not commenced within two years after the distribution.

2004 Acts, ch 1021, §51, 118

Referred to in §488.702