

362.2-812 Disposition of assets -- When contributions required.

- (1) In winding up a limited partnership's activities, the assets of the limited partnership, including the contributions required by this section, shall be applied to satisfy the limited partnership's obligations to creditors, including, to the extent permitted by law, partners that are creditors.
- (2) Any surplus remaining after the limited partnership complies with subsection (1) of this section may be distributed in cash or, subject to KRS 362.2-506(1), in kind.
- (3) If the limited partnership's assets are insufficient to satisfy all of its obligations under subsection (1) of this section, with respect to each unsatisfied obligation incurred when the limited partnership was not a limited liability limited partnership, then the following rules apply:
 - (a) Each person that was a general partner when the obligation was incurred and that has not been released from that obligation under KRS 362.2-607 shall contribute to the limited partnership for the purpose of enabling the limited partnership to satisfy that obligation. The contribution due from each of those persons is in proportion to the right to receive distributions in the capacity of general partner in effect for each of those persons when the obligation was incurred.
 - (b) If a person fails to contribute the full amount required under subsection (3)(a) of this section with respect to an unsatisfied obligation of the limited partnership, then the other persons required to contribute by subsection (3)(a) of this section on account of that obligation shall contribute the additional amount necessary to discharge the obligation. The additional contribution due from each of those other persons is in proportion to the right to receive distributions in the capacity of general partner in effect for each of those other persons when the obligation was incurred.
 - (c) If a person fails to make the additional contribution required by subsection (3)(b) of this section, further additional contributions are determined and due in the same manner as provided in that subsection.
- (4) A person that makes an additional contribution under subsection (3)(b) or (c) of this section may recover from any person whose failure to contribute under subsection (3)(a) or (b) of this section necessitated the additional contribution. A person shall not recover under this subsection more than the amount additionally contributed. A person's liability under this subsection shall not exceed the amount the person failed to contribute.
- (5) The estate of a deceased individual is liable for the person's obligations under this section.
- (6) An assignee for the benefit of creditors of a limited partnership or a partner, or a person appointed by a court to represent creditors of a limited partnership or a partner, may enforce a person's obligation to contribute under subsection (3) of this section.

Effective: July 12, 2006

History: Created 2006 Ky. Acts ch. 149, sec. 160, effective July 12, 2006.