

48-1d-802 Power to bind and liability of person dissociated as partner.

- (1) After a person is dissociated as a partner without the dissociation resulting in a dissolution and winding up of the partnership's activities and affairs and before the partnership is merged out of existence, converted, or domesticated under Part 10, Merger, Interest Exchange, Conversion, and Domestication, or dissolved, the partnership is bound by an act of the person only if:
 - (a) the act would have bound the partnership under Section 48-1d-301 before dissociation; and
 - (b) at the time the other party enters into the transaction:
 - (i) less than two years has passed since the dissociation; and
 - (ii) the other party does not know or have notice of the dissociation and reasonably believes that the person is a partner.
- (2) If a partnership is bound under Subsection (1), the person dissociated as a partner which caused the partnership to be bound is liable:
 - (a) to the partnership for any damage caused to the partnership arising from the obligation incurred under Subsection (1); and
 - (b) if a partner or another person dissociated as a partner is liable for the obligation, to the partner or other person for any damage caused to the partner or other person arising from the liability.

Enacted by Chapter 412, 2013 General Session