

**48-1d-902 Winding up.**

- (1) A dissolved partnership shall wind up its activities and affairs and, except as otherwise provided in Section 48-1d-903, the partnership continues after dissolution only for the purpose of winding up.
- (2) In winding up its activities and affairs, the partnership:
  - (a) shall discharge the partnership's debts, obligations, and other liabilities, settle and close the partnership's activities and affairs, and marshal and distribute the assets of the partnership; and
  - (b) may:
    - (i) deliver to the division for filing a statement of dissolution stating the name of the partnership and that the partnership is dissolved;
    - (ii) preserve the partnership's activities and affairs and property as a going concern for a reasonable time;
    - (iii) prosecute and defend actions and proceedings, whether civil, criminal, or administrative;
    - (iv) transfer the partnership's property;
    - (v) settle disputes by mediation or arbitration;
    - (vi) deliver to the division for filing a statement of termination stating the name of the partnership and that the partnership is terminated; and
    - (vii) perform other acts necessary or appropriate to the winding up.
- (3) A person whose dissociation as a partner resulted in dissolution may participate in winding up as if still a partner, unless the dissociation was wrongful.
- (4) If a dissolved partnership does not have a partner and no person has the right to participate in winding up under Subsection (3), the personal or legal representative of the last person to have been a partner may wind up the partnership's activities and affairs. If the representative does not exercise that right, a person to wind up the partnership's activities and affairs may be appointed by the consent of transferees owning a majority of the rights to receive distributions at the time the consent is to be effective. A person appointed under this Subsection (4) has the powers of a partner under Section 48-1d-904 but is not liable for the debts, obligations, and other liabilities of the partnership solely by reason of having or exercising those powers or otherwise acting to wind up the partnership's activities and affairs.
- (5) On the application of any partner or person entitled under Subsection (3) to participate in winding up, the district court may order judicial supervision of the winding up of a dissolved partnership, including the appointment of a person to wind up the partnership's activities and affairs, if:
  - (a) the partnership does not have a partner, and within a reasonable time following the dissolution no person has been appointed under Subsection (4); or
  - (b) the applicant establishes other good cause.

Enacted by Chapter 412, 2013 General Session