

48-2e-505 Liability for improper distributions.

- (1) If a general partner consents to a distribution made in violation of Section 48-2e-504 and in consenting to the distribution fails to comply with Section 48-2e-409, the general partner 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 of Section 48-2e-504.
- (2) A person that receives a distribution knowing that the distribution violated Section 48-2e-504 is personally liable to the limited partnership but only to the extent that the distribution received by the person exceeded the amount that could have been properly paid under Section 48-2e-504.
- (3) A general partner against which an action is commenced because the general partner is liable under Subsection (1) may:
 - (a) implead any other person that is liable under Subsection (1) and seek to enforce a right of contribution from the person; and
 - (b) implead any person that received a distribution in violation of Subsection (2) and seek to enforce a right of contribution from the person in the amount the person received in violation of Subsection (2).
- (4) An action under this section is barred unless commenced not later than two years after the distribution.

Enacted by Chapter 412, 2013 General Session