

362.235 Rules determining rights and duties of partners.

The rights and duties of the partners in relation to the partnership shall be determined, subject to any agreement between them, by the following rules:

- (1) Each partner shall be repaid his contributions, whether by way of capital or advances to the partnership property, and share equally in the profits and surplus remaining after all liabilities, including those to partners, are satisfied; and, except as provided in KRS 362.220(2), each partner shall contribute toward the losses, whether of capital or otherwise, sustained by the partnership according to his share in the profits.
- (2) Except as provided in KRS 362.220(2), the partnership shall indemnify every partner in respect of payments made and personal liabilities reasonably incurred by him in the ordinary and proper conduct of its business, or for the preservation of its business or property.
- (3) A partner, who in aid of the partnership makes any payment or advance beyond the amount of capital which he agreed to contribute, shall be paid interest from the date of the payment or advance.
- (4) A partner shall receive interest on the capital contributed by him only from the date when repayment should be made.
- (5) All partners have equal rights in the management and conduct of the partnership business.
- (6) No partner shall be entitled to remuneration for acting in the partnership business, except that a surviving partner shall be entitled to reasonable compensation for his services in winding up the partnership affairs.
- (7) No person shall become a member of a partnership without the consent of all the partners.
- (8) Any difference arising as to ordinary matters connected with the partnership business may be decided by a majority of the partners; but no act in contravention of any agreement between the partners shall be done rightfully without the consent of all the partners.

Effective: June 26, 2007

History: Repeal the prior repeal contained in 2006 Ky. Acts ch. 149, sec. 239, which was to have been effective January 1, 2008, 2007 Ky. Acts ch. 137, sec. 180, effective June 26, 2007. -- Repealed 2006 Ky. Acts ch. 149, sec. 239, effective January 1, 2008. -- Amended 1994 Ky. Acts ch. 389, sec. 98, effective July 15, 1994. -- Created 1954 Ky. Acts ch. 38, sec. 18, effective June 17, 1954.