

RCW 25.10.806 Power of general partners and persons dissociated as general partners to bind organization after conversion or merger.

(1) An act of a person that immediately before a conversion or merger became effective was a general partner in a converting or constituent limited partnership binds the converted or surviving organization after the conversion or merger becomes effective, if:

(a) Before the conversion or merger became effective, the act would have bound the converting or constituent limited partnership under RCW 25.10.381; and

(b) At the time the third party enters into the transaction, the third party:

(i) Does not have notice of the conversion or merger; and

(ii) Reasonably believes that the converted or surviving business is the converting or constituent limited partnership and that the person is a general partner in the converting or constituent limited partnership.

(2) An act of a person that before a conversion or merger became effective was dissociated as a general partner from a converting or constituent limited partnership binds the converted or surviving organization after the conversion or merger becomes effective, if:

(a) Before the conversion or merger became effective, the act would have bound the converting or constituent limited partnership under RCW 25.10.381 if the person had been a general partner; and

(b) At the time the third party enters into the transaction, less than two years have passed since the person dissociated as a general partner and the third party:

(i) Does not have notice of the dissociation;

(ii) Does not have notice of the conversion or merger; and

(iii) Reasonably believes that the converted or surviving organization is the converting or constituent limited partnership and that the person is a general partner in the converting or constituent limited partnership.

(3) If a person having knowledge of the conversion or merger causes a converted or surviving organization to incur an obligation under subsection (1) or (2) of this section, the person is liable:

(a) To the converted or surviving organization for any damage caused to the organization arising from the obligation; and

(b) If another person is liable for the obligation, to that other person for any damage caused to that other person arising from the liability. [2009 c 188 s 1112.]