321.0409 TRANSFER OF PARTNERSHIP PROPERTY.

(a) Subject to the effect of a notification effective under section 321.0103(d) and (i), property held in the name of a limited partnership may be transferred by an instrument of transfer executed by a general partner in the limited partnership name.

(b) Where a transfer has been made to an initial transferee through an instrument of transfer effective under subsection (a), a limited partnership may recover the transferred limited partnership property from a transferee only if:

(1) the limited partnership proves that execution of the instrument of initial transfer did not bind the partnership under section 321.0402; and

(2) as to a subsequent transferee who gave value for the property, the limited partnership proves that the subsequent transferee knew or had received a notification that the person who executed the instrument of initial transfer lacked authority to bind the partnership.

(c) A partnership may not recover partnership property from a subsequent transferee if the partnership would not have been entitled to recover the property, under subsection (b), from any earlier transferee of the property.

(d) This section does not affect the power of a person dissociated as a general partner to bind a limited partnership under sections 321.0606(a) and 321.0804(b).

History: *2004 c 199 art 4 s 42*