

§1061. Events causing partner's dissociation

A partner is dissociated from a partnership upon the occurrence of any of the following events: [PL 2005, c. 543, Pt. A, §2 (NEW).]

1. Notice of express will to withdraw. The partnership's having notice of the partner's express will to withdraw as a partner or on a later date specified by the partner;

[PL 2005, c. 543, Pt. A, §2 (NEW).]

2. Agreed event. An event agreed to in the partnership agreement as causing the partner's dissociation;

[PL 2005, c. 543, Pt. A, §2 (NEW).]

3. Expulsion pursuant to agreement. The partner's expulsion pursuant to the partnership agreement;

[PL 2005, c. 543, Pt. A, §2 (NEW).]

4. Expulsion by unanimous vote. The partner's expulsion by the unanimous vote of the other partners if:

A. It is unlawful to carry on the partnership business with that partner; [PL 2005, c. 543, Pt. A, §2 (NEW).]

B. There has been a transfer of all or substantially all of that partner's transferable interest in the partnership, other than a transfer for security purposes, or a court order charging the partner's interest, that has not been foreclosed; [PL 2005, c. 543, Pt. A, §2 (NEW).]

C. Within 90 days after the partnership notifies a partner who is a limited liability company or corporation that it will be expelled because it has filed a certificate of dissolution or the equivalent or that it has been judicially or administratively dissolved, the applicable certificate of dissolution or its equivalent has not been revoked or it has not been administratively reinstated; [PL 2005, c. 543, Pt. A, §2 (NEW).]

D. Within 90 days after the partnership notifies a partner who is a limited liability company or corporation that it will be expelled because its right to do business has been suspended by the jurisdiction of organization or incorporation, there has been no reinstatement of its right to do business by such jurisdiction; or [PL 2005, c. 543, Pt. A, §2 (NEW).]

E. A partnership that is a partner has been dissolved and its business is being wound up; [PL 2005, c. 543, Pt. A, §2 (NEW).]

[PL 2005, c. 543, Pt. A, §2 (NEW).]

5. Expulsion by judicial determination. On application by the partnership or another partner, the partner's expulsion by judicial determination because:

A. The partner engaged in wrongful conduct that adversely and materially affected the partnership business; [PL 2005, c. 543, Pt. A, §2 (NEW).]

B. The partner willfully or persistently committed a material breach of the partnership agreement or of a duty owed to the partnership or the other partners under section 1044; or [PL 2005, c. 543, Pt. A, §2 (NEW).]

C. The partner engaged in conduct relating to the partnership business that makes it not reasonably practicable to carry on the business in partnership with the partner; [PL 2005, c. 543, Pt. A, §2 (NEW).]

[PL 2005, c. 543, Pt. A, §2 (NEW).]

6. Partner's actions. The partner's:

A. Becoming a debtor in bankruptcy; [PL 2005, c. 543, Pt. A, §2 (NEW).]

B. Executing an assignment for the benefit of creditors; [PL 2005, c. 543, Pt. A, §2 (NEW).]

C. Seeking, consenting to or acquiescing in the appointment of a trustee, receiver or liquidator of that partner or of all or substantially all of that partner's property; or [PL 2005, c. 543, Pt. A, §2 (NEW).]

D. Failing, within 90 days after the appointment, to have vacated or stayed the appointment of a trustee, receiver or liquidator of the partner or of all or substantially all of the partner's property obtained without the partner's consent or acquiescence or failing within 90 days after the expiration of a stay to have the appointment vacated; [PL 2005, c. 543, Pt. A, §2 (NEW).]

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7. Partner who is individual. In the case of a partner who is an individual:

A. The partner's death; [PL 2005, c. 543, Pt. A, §2 (NEW).]

B. The appointment of a guardian or general conservator for the partner; or [PL 2005, c. 543, Pt. A, §2 (NEW).]

C. A judicial determination that the partner has otherwise become incapable of performing the partner's duties under the partnership agreement; [PL 2005, c. 543, Pt. A, §2 (NEW).]

[PL 2005, c. 543, Pt. A, §2 (NEW).]

8. Partner is trust or trustee. In the case of a partner that is a trust or is acting as a partner by virtue of being a trustee of a trust, distribution of the trust's entire transferable interest in the partnership, but not merely by reason of the substitution of a successor trustee;

[PL 2005, c. 543, Pt. A, §2 (NEW).]

9. Partner is estate or personal representative of estate. In the case of a partner that is an estate or is acting as a partner by virtue of being a personal representative of an estate, distribution of the estate's entire transferable interest in the partnership, but not merely by reason of the substitution of a successor personal representative; or

[PL 2005, c. 543, Pt. A, §2 (NEW).]

10. Termination. Termination of a partner who is not an individual, partnership, limited liability company, corporation, trust or estate.

[PL 2005, c. 543, Pt. A, §2 (NEW).]

SECTION HISTORY

PL 2005, c. 543, §A2 (NEW).

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