

## 10-604. DISTRIBUTION UPON WITHDRAWAL.

EXCEPT AS OTHERWISE PROVIDED IN THIS SUBTITLE, ON WITHDRAWAL ANY WITHDRAWING PARTNER IS ENTITLED TO RECEIVE ANY DISTRIBUTION TO WHICH HE IS ENTITLED UNDER THE PARTNERSHIP AGREEMENT AND, IF NOT OTHERWISE PROVIDED IN THE PARTNERSHIP AGREEMENT, HE IS ENTITLED TO RECEIVE, WITHIN A REASONABLE TIME AFTER WITHDRAWAL, THE FAIR VALUE OF HIS PARTNERSHIP INTEREST IN THE LIMITED PARTNERSHIP AS OF THE DATE OF WITHDRAWAL.

## COMMENT

The prior law cited in the Comment to § 10-603 of this title is applicable here as well. This section fixes the distributive share of a withdrawing partner in the absence of an agreement among the partners. The prior law was silent on this point, except for § 10-113, which put all limited partners on an equal footing in the absence of an agreement. It is recognized that the determination of the fair value of the withdrawing partner's interest may be difficult.

## 10-605. DISTRIBUTION IN KIND.

UNLESS OTHERWISE PROVIDED IN THE CERTIFICATE, A PARTNER, REGARDLESS OF THE NATURE OF HIS CONTRIBUTION, HAS NO RIGHT TO DEMAND AND RECEIVE ANY DISTRIBUTION FROM A LIMITED PARTNERSHIP IN ANY FORM OTHER THAN CASH.

## COMMENT

This section is derived from § 10-115(c) of the previous Limited Partnership Act (§ 16(3) of the prior uniform law). Other states' enactment of the Revised Uniform Limited Partnership Act may include a second sentence to this section which is new and is intended to protect a limited partner (and the remaining partners) against a distribution in kind of more than his share of a particular asset. The drafters of this title felt that this provision did not add to the fiduciary duties of the general partner and raised various problems of interpretation; accordingly, the provision has been deleted.

## 10-606. STATUS AS CREDITOR.

EXCEPT TO THE EXTENT LIMITED BY § 10-607 OR § 10-804, AT THE TIME A PARTNER BECOMES ENTITLED TO RECEIVE A DISTRIBUTION, THE PARTNER HAS THE STATUS OF, AND IS ENTITLED TO ALL REMEDIES AVAILABLE TO, A CREDITOR OF THE LIMITED PARTNERSHIP WITH RESPECT TO THE DISTRIBUTION.

## COMMENT

This section is new and is intended to make it clear that the right of a partner to receive a distribution, as