

TITLE, IS BOUND BY AN ACT OF THE DISSOCIATED PARTNER WHICH WOULD HAVE BOUND THE PARTNERSHIP UNDER § 9-301 OF THIS TITLE BEFORE DISSOCIATION ONLY IF AT THE TIME OF ENTERING INTO THE TRANSACTION THE OTHER PARTY:

(1) REASONABLY BELIEVED THAT THE DISSOCIATED PARTNER WAS THEN A PARTNER;

(2) DID NOT HAVE NOTICE OF THE PARTNER'S DISSOCIATION; AND

(3) IS NOT DEEMED TO HAVE HAD KNOWLEDGE UNDER § 9-303(D) OF THIS TITLE OR NOTICE UNDER § 9-704(C) OF THIS SUBTITLE.

(B) A DISSOCIATED PARTNER IS LIABLE TO THE PARTNERSHIP FOR ANY DAMAGE CAUSED TO THE PARTNERSHIP ARISING FROM AN OBLIGATION INCURRED BY THE DISSOCIATED PARTNER AFTER DISSOCIATION FOR WHICH THE PARTNERSHIP IS LIABLE UNDER SUBSECTION (A) OF THIS SECTION.

9-703. DISSOCIATED PARTNER'S LIABILITY TO OTHER PERSONS.

(A) A PARTNER'S DISSOCIATION DOES NOT OF ITSELF DISCHARGE THE PARTNER'S LIABILITY FOR A PARTNERSHIP OBLIGATION INCURRED BEFORE DISSOCIATION. A DISSOCIATED PARTNER IS NOT LIABLE FOR A PARTNERSHIP OBLIGATION INCURRED AFTER DISSOCIATION, EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (B) OF THIS SECTION.

(B) A PARTNER WHO DISSOCIATES WITHOUT RESULTING IN A DISSOLUTION AND WINDING UP OF THE PARTNERSHIP BUSINESS IS LIABLE AS A PARTNER TO THE OTHER PARTY IN A TRANSACTION ENTERED INTO BY THE PARTNERSHIP, OR A SURVIVING PARTNERSHIP UNDER SUBTITLE 9 OF THIS TITLE, WITHIN 2 YEARS AFTER THE PARTNER'S DISSOCIATION, ONLY IF THE OBLIGATION IS ONE FOR WHICH THE PARTNER IS LIABLE UNDER § 9-306 OF THIS TITLE AND AT THE TIME OF ENTERING INTO THE TRANSACTION THE OTHER PARTY:

(1) REASONABLY BELIEVED THAT THE DISSOCIATED PARTNER WAS THEN A PARTNER;

(2) DID NOT HAVE NOTICE OF THE PARTNER'S DISSOCIATION; AND

(3) IS NOT DEEMED TO HAVE HAD KNOWLEDGE UNDER § 9-303(E) OF THIS TITLE OR NOTICE UNDER § 9-704(C) OF THIS SUBTITLE.

(C) BY AGREEMENT WITH THE PARTNERSHIP CREDITOR AND THE PARTNERS CONTINUING THE BUSINESS, A DISSOCIATED PARTNER MAY BE RELEASED FROM LIABILITY FOR A PARTNERSHIP OBLIGATION.

(D) A DISSOCIATED PARTNER IS RELEASED FROM LIABILITY FOR A PARTNERSHIP OBLIGATION IF A PARTNERSHIP CREDITOR, WITH NOTICE OF THE PARTNER'S DISSOCIATION BUT WITHOUT THE PARTNER'S CONSENT, AGREES TO A MATERIAL ALTERATION IN THE NATURE OR TIME OF PAYMENT OF A PARTNERSHIP OBLIGATION.