

UNIFORM PARTNERSHIP ACT (EXCERPT)
Act 72 of 1917

449.36 Dissolution; effect as to partner's existing liability.

Sec. 36.

(Effect of dissolution on partner's existing liability).

(1) The dissolution of the partnership does not discharge the existing liability of any partner.

(2) A partner is discharged from existing liability upon dissolution of the partnership by an agreement to that effect between the partner, the partnership creditor, and the person or partnership continuing the business. An agreement may be inferred from the course of dealing between the creditor having knowledge of the dissolution and the person or partnership continuing the business.

(3) If a person agrees to assume the existing obligations of a dissolved partnership, the partners whose obligations have been assumed shall be discharged from liability to any creditor of the partnership who, knowing of the agreement, consents to a material alteration in the nature or time of payment of the obligations.

(4) Except as provided in section 46, the individual property of a deceased partner shall be liable for those obligations of the partnership incurred while he or she was a partner but subject to the prior payment of his or her separate debts.

History: 1917, Act 72, Eff. Aug. 10, 1917 ;-- CL 1929, 9876 ;-- CL 1948, 449.36 ;-- Am. 1994, Act 323, Imd. Eff. Oct. 12, 1994