



CHAPTER 59
ARTICLE 5 - REVISED UNIFORM LIMITED PARTNERSHIP ACT

N.C.G.S. § 59-304.

Person erroneously believing himself
limited partner.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	No amendment history on record	21 September 2026, 04:24 UTC	0380f6a750aceee06a6a2b07 - fab07dbd7961b9b0813107c4 - 7d85c0e8faba2ce4

§ 59-304(a) Except as provided in subsection (b), a person who makes a contribution to a business enterprise and erroneously but in good faith believes that the person has become a limited partner in the enterprise is not a general partner in the enterprise and is not bound by its obligations by reason of making the contribution, receiving distributions from the enterprise, or exercising any rights of a limited partner, if, on ascertaining the mistake, he:

- (1) Causes an appropriate certificate of limited partnership [or] certificate of amendment to be executed and filed; or
- (2) Withdraws from future equity participation in the enterprise.

§ 59-304(b) A person who makes a contribution of the kind described in subsection (a) of this section is liable as a general partner to any third party who transacts business with the enterprise in the case in which:

- (1) The third party actually believed in good faith that the person was a general partner at the time of the transaction; and
- (2) The third party transacted business with the enterprise before either:

a. An appropriate certificate has been filed pursuant to subsection (a) of this section to reflect that the person is not a general partner; or

b.The person has given notice to the partnership of withdrawal from future equity participation and before the withdrawal was effective. (1985 (Reg. Sess., 1986), c. 989, s. 2; 1999-362, s. 19.)

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 59-304 (2026).

PINPOINT

N.C. Gen. Stat. § 59-304(a) (2026).

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COLOPHON

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