

Sixty-first  
Legislative Assembly  
of North Dakota

## HOUSE BILL NO.

Introduced by

Representative Klemin

1 A BILL for an Act to amend and reenact section 45-10.2-64 of the North Dakota Century Code,  
2 relating to limited partnership rights of creditors.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Section 45-10.2-64 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6 **45-10.2-64. (703) Rights of a creditor of partner or transferee.**

7 1. On application to a court of competent jurisdiction by any judgment creditor of a  
8 partner or transferee, the court may charge the transferable interest of the  
9 judgment debtor with payment of the unsatisfied amount of the judgment with  
10 interest.

11 a. To the extent so charged, the judgment creditor has only the rights of a  
12 transferee.

13 b. The court may appoint a receiver of the share of the distributions due or to  
14 become due to the judgment debtor in respect of the partnership and make all  
15 other orders, directions, accounts, and inquiries the judgment debtor might  
16 have made or which the circumstances of the case may require to give effect  
17 to the charging order.

18 ~~2. c.~~ A charging order constitutes a lien on the transferable interest of the judgment  
19 debtor. ~~The court may order a foreclosure upon the interest subject to the~~  
20 ~~charging order at any time. The purchaser at the foreclosure sale has the~~  
21 ~~rights of a transferee.~~

22 ~~3. At any time before foreclosure, an interest charged may be redeemed:~~

23 ~~a. By the judgment debtor;~~

- 1                   b- ~~With property other than limited partnership property, by one or more of the~~  
2                   ~~other partners; or~~
- 3                   e- ~~With limited partnership property, by the limited partnership with the consent~~  
4                   ~~of all partners whose interests are not so charged.~~
- 5       4- 2. This chapter does not deprive any partner or transferee of the benefit of any  
6                   exemption laws applicable to the transferable interest of the partner or transferee.
- 7       5- 3. This section provides the exclusive remedy by which a judgment creditor of a  
8                   partner or transferee may satisfy a judgment ~~out of~~ with respect to the transferable  
9                   interest of the judgment debtor.