

362.2-935 Proceeds and expenses.

- (1) Except as otherwise provided in subsection (2) of this section:
 - (a) Any proceeds or other benefits of a derivative action, whether by judgment, compromise, or settlement, belong to the limited partnership and not to the derivative plaintiff;
 - (b) If the derivative plaintiff receives any of those proceeds, then the derivative plaintiff shall immediately remit them to the limited partnership.
- (2) If a derivative action is successful in whole or in part, then the court may award the plaintiff reasonable expenses, including reasonable attorney's fees, from the recovery of the limited partnership.
- (3) On termination of the proceeding brought pursuant to this section, the court may require the plaintiff to pay any defendant's reasonable expenses, including counsel fees, incurred in defending the proceeding to the extent it finds that the proceeding or any portion thereof was commenced without reasonable cause or for an improper purpose.

Effective: June 24, 2015

History: Amended 2015 Ky. Acts ch. 34, sec. 64, effective June 24, 2015. -- Created 2006 Ky. Acts ch. 149, sec. 175, effective July 12, 2006.

Formerly codified as KRS 362.2-1005.