

No. 128,345

IN THE COURT OF APPEALS OF THE STATE OF KANSAS

BRUCE BETTS,
Appellee,

v.

CHAD KEENAN, Special Administrator of the Estate of NORMAN KEENAN,
Appellant.

SYLLABUS BY THE COURT

1.

A court supervising the dissolution of a partnership sits as a court of equity and has discretion to act as fairness requires, except where the issue is governed by statute or by the partnership agreement.

2.

Under the Kansas Revised Uniform Partnership Act (KRUPA), K.S.A. 56a-101 et seq., the principles of equity are supplemental to the Act; they apply only to the extent they are not displaced by a particular provision of the Act. K.S.A. 56a-104(a).

3.

When no partnership agreement exists, or when an agreement is silent on the issue, KRUPA governs the relations among the partners and between the partners and the partnership. K.S.A. 56a-103(a).

4.

A district court's failure to apply KRUPA in winding up a partnership, where the Act governs under K.S.A. 56a-103(a), is an error of law and therefore an abuse of discretion.

Appeal from Miami District Court; RICHARD FISHER, judge. Oral argument held July 21, 2026. Opinion filed October 2, 2026. Reversed and remanded with directions.

Bryan Cox and Jonathan Sternberg, of Jonathan Sternberg, Attorney, P.C., of Kansas City, Missouri, for appellant.

Ashley N. Jarmer and Michelle R. Stewart, of Hinkle Law Firm LLC, of Lenexa, and *J. Darcy Domoney*, of Domoney & Domoney, of Paola, for appellee.

Before MALONE, P.J., HURST and COBLE, JJ.

COBLE, J.: For over a decade, Bruce Betts and Norman Keenan operated a farming partnership that formed via a handshake. As often does, conflict arose. The two disputed whether their partnership had been dissolved and, if so, on what terms. Eventually, Bruce filed an action in Miami County to recover the proceeds from the sale of crops, seeking additional monetary damages for charges to a grain elevator account, and asking the court to grant him ownership and possession of specific farming equipment, claiming the partnership had dissolved in 2018. In response, Norman claimed the partnership was not yet dissolved, asked the district court to judicially dissolve the partnership, requested other monetary damages, and made his own claims to farming equipment. After a bench trial, the district court found that the partnership was not dissolved years prior and denied both parties' damages claims. The district court then allocated the farm machinery and equipment between the two.

Norman appealed the district court's order. Unfortunately, while the appeal was pending, Norman died, and Chad Keenan—Norman's nephew and the special administrator of the estate—was substituted in Norman's place so the appeal could proceed. Bruce then disputed whether this substitution was accomplished in a timely manner.

After thorough review, we first find that Chad's delay was not unreasonable, and we reverse the district court's judgment, because its failure to apply the Kansas Revised Uniform Partnership Act (KRUPA), K.S.A. 56a-101 et seq., was an error of law that constitutes an abuse of discretion.

FACTUAL AND PROCEDURAL BACKGROUND

We note at the outset that two individuals of importance to this appeal share the same last name. To avoid any confusion and repetition, we will refer to the three main parties by their first names. We do so for clarity and mean no disrespect or air of familiarity.

The Partnership

Approximately 20 years ago, around 2006, Bruce and Norman began a farming partnership. This enterprise was a "handshake agreement"; there was no written agreement governing its terms, and it appears there was no segregated bank account, no separate partnership records, and no taxes filed on behalf of the partnership. Additionally, each party owned certain machinery and equipment individually while some items were owned jointly. Yet although there was no official documentation, both Bruce and Norman confirmed that the two had an agreement to operate as 50/50 partners on leased farms in Kansas and Missouri producing corn and soybeans. At the end of each year, the two would "settle up."

The partnership primarily leased property to farm, but it also farmed 240 acres of Norman's own land. Norman received any proceeds from crops harvested on that land.

Within the partnership, Bruce and Norman had established roles although these roles were not exclusive. For example, during harvest Bruce ran the combine while

Norman drove the truck. As another example, Norman held the partnership's account with the crop input supplier in his name. See *In re Crop Inputs Antitrust Litig.*, 543 F. Supp. 3d 1381, 1382 (J.P.M.L. 2021) (defining "crop inputs" as "seeds and chemicals such as fungicides, herbicides, and insecticides").

The Partnership's Crop Inputs

The partnership primarily used the Ottawa Cooperative Association (herein after referred to as "co-op") to purchase crop inputs on credit and would repay that balance after harvest. Occasionally, Bruce purchased inputs from other sources. When the income from the harvest did not cover the balance, the co-op would roll the debt into the subsequent year.

By 2016, the partnership had accrued significant debt with the co-op, and on December 31, 2018 (when Bruce alleges the partnership ended), the total due was \$562,466.02. In 2019, Norman sold soybeans and applied the proceeds to pay down the debt, with one sale of \$167,214.99 and another sale of \$241,669.47. In March 2020, Norman obtained a bank loan of \$147,698 to satisfy the partnership's debt with the co-op. Between the loan and other payments, by March 2020 the co-op account was paid in full.

The Partnership's Equipment

In the beginning, the partnership used equipment that each partner owned individually. But over the years, the partnership bought new equipment via trade-ins, financing, and outright purchases. Primarily, Bruce purchased or financed the equipment in his name; however, Norman also occasionally made payments on some of the equipment directly.

The Partnership in 2019 and 2020

Bruce claims the partnership ended on December 31, 2018, when Norman said he wished to retire due to health problems, but Norman denied this conversation happened. In Bruce's understanding, at that time, the parties reached a new agreement under which Bruce was to own all the equipment previously owned by the partnership so long as he made all the remaining debt payments and maintained the equipment, in exchange for harvesting the crops on Norman's land and remitting the proceeds to Norman. According to Bruce, the parties agreed Bruce would take over the four joint property leases. But after 2018, Norman still did the hauling of the crops, just as before. Bruce testified and provided documentation for the lease payments he made from 2018 forward. Norman testified he did not pay for rent or crop inputs on any of Bruce's leases from 2018 to 2020.

During this time Bruce also made all the equipment debt payments except one for approximately \$3,000, which Norman paid in December 2020. Bruce also paid for all repairs and maintenance on the equipment. Bruce likewise planted, cared for, and harvested the crops on Norman's land without charging for his labor until Norman told Bruce to stop such work in the fall of 2020.

The Lawsuit

In May 2021, Bruce filed the lawsuit underlying this appeal, which consisted of four claims. In Count I, he claimed that in 2019, Norman sold \$151,406 worth of Bruce's soybeans, although later, after the return of a business subpoena, the claimed total value sold increased to \$167,214.99. Bruce testified he approved of this sale so long as Norman paid him his portion, but Norman failed to do so.

In Count II of his petition, Bruce claimed that in November 2019, Norman sold \$241,669.47 worth of Bruce's soybeans under Norman's name without Bruce's permission. Because the soybeans were sold under Norman's name, the proceeds were subject to a lien the co-op placed on Norman's crop proceeds, which resulted in the entirety of the sale being used to partially satisfy the debt with the co-op.

In Count III, Bruce claimed that in May 2020, Norman charged \$21,440 to Bruce's account at Midwest Elevator, despite having his own account with the grain elevator. Like in Count I, after additional investigation, the total charged to Bruce's account was revealed to be \$38,109.05. Bruce maintained that Norman told Bruce he would transfer the charges to Norman's account, but he never did.

Finally, in Count IV, Bruce claimed that Norman possessed equipment belonging to Bruce, which was contrary to the parties' December 2018 agreement. Bruce listed equipment of Norman's that he possessed and asked the district court to order the parties exchange that equipment. Except for these listed items, Bruce claimed that the parties should retain all other equipment in their possession.

Norman filed an answer to Bruce's lawsuit and a counterclaim, asserting that the partnership did not terminate in 2018 and that Bruce had converted his property. In his counterclaim Norman also sought "a legal dissolution of his farming partnership with" Bruce.

After pretrial litigation, Norman's trial position statement claimed that Bruce sold crops and kept the proceeds, which should have been divided equally between the parties, and that Bruce owed Norman money for crop inputs and labor Norman performed for other landowners. Norman claimed Bruce's failure to properly divide the funds pursuant to the partnership agreement resulted in \$1,063,430.79 in damages due to Norman. Norman claimed that he had paid for the totality of the input costs in 2019, and was owed

half of those costs, which equated to \$795,967.61. He argued he was also due \$17,012.19 for half of the custom work performed for other farmers. He claimed because Bruce deprived him of the use of partnership equipment, he had to pay for farming to be done on his property, amounting to damages of \$133,227.39. He also asserted he lost income totaling \$106,000 on the four leased properties, claimed an ownership interest in approximately 33 pieces of equipment, and asked the district court for an equitable division of the partnership's assets.

Bruce denied all Norman's claims, asserting he followed the parties' new agreement that he and Norman made in 2018 when they terminated the partnership, and that Norman had received all the money he was owed.

Trial and Judgment

Eventually, the case proceeded to a four-day bench trial in March 2024. At the trial, 15 witnesses testified, including Bruce and Norman, and numerous exhibits were admitted. Much of the testimony was used to establish the facts discussed above. Additional details of the testimony and exhibits will be discussed below, as necessary to our analysis.

After trial, the district court issued a written journal entry which included findings of fact and conclusions of law. There, the district court found the partnership was not terminated in December 2018 and, accordingly, found that the co-op debt in Norman's name was a partnership obligation. Because the crop sales went to pay off the partnership's obligation, the district court denied Bruce's first and second claims. The district court also denied Bruce's third claim because the partnership was not terminated when the elevator charges were made to Bruce's account. On these first three claims, the district court specifically held:

"In regard to Count I of [Bruce's] petition, the Court cannot ascertain that [Bruce] has been damaged in the sum of \$167,214.99 due to the failure of [Norman] to reimburse him for selling [Bruce's] soybeans to fill the contracts that [Norman] owed Agmark and having the proceeds applied to [Norman's] bill at the Ottawa Cooperative Association. The Court makes the finding that there was no termination of the Partnership in December 2018. The parties' established roles remained the same and continued to operate on the Partnership even after the alleged termination.

"In regard to Count II of [Bruce's] petition, the Court finds that any proceeds from the sale of the soybeans was paid to the Ottawa Cooperative Association in partial satisfaction of the Partnership debt incurred through their joint use of the Ottawa Cooperative for the inputs. The Ottawa Cooperative debt kept rolling over each year during the Partnership and the Court is not convinced by the evidence presented that the Partnership debt was paid in full at the Ottawa Cooperative Association prior to the alleged termination of the Partnership as alleged by [Bruce]. The Court does not find evidence of the termination of the Partnership on December 31, 2018.

"Regarding Count III of [Bruce's] petition, the Court finds that [Bruce] has failed to prove his claim for damages from the evidence presented to the Court. [Bruce's] claim, like that of Counts I and II, relies upon the premise that the termination of the Partnership occurred on December 31, 2018, and a new agreement was established between the parties after 2018. Nothing was put in writing regarding this new agreement. The Court finds that [Bruce] has not met his burden from the evidence presented that a termination of the Partnership occurred on December 31, 2018; therefore, the Court denies this claim."

Regarding Bruce's fourth claim, the district court divided 16 pieces of equipment between the parties. The district court found that "both [Bruce] and [Norman] have not met their burden from the evidence presented to the court in regards to the division of the machinery and equipment; and therefore, the Court denies these claims." Yet then, the district court ordered that each party would own (and be responsible for associated debts on) all equipment in his possession that was purchased individually in his name, free and clear of any claims by the other party. In so ordering, the district court provided mirrored paragraphs detailing as much for both Bruce and Norman.

The district court also ordered the return of specific pieces of equipment that one party owned but happened to be in the other's possession, ordering 13 pieces to be returned to Norman and 3 pieces to be returned to Bruce.

The district court denied all of Norman's monetary counterclaims.

The written order also noted that "[t]he testimony of [Bruce] and [Norman] in this matter was not credible and not persuasive to the Court in regard to [Bruce's] or [Norman's] claims."

Norman timely appealed. Initially, Bruce preserved his right to cross-appeal, but he then elected not to pursue it.

Additional facts will be introduced in the analysis, as necessary.

DISCUSSION

Before us are four issues that must be resolved on appeal. First, we must determine if the substitution of the special administrator of Norman's estate was proper. Second, Chad now argues that this court lacks jurisdiction over this appeal because the district court's order was not final, as it did not dispose of Norman's request that the partnership be judicially dissolved. Third, Chad argues the district court erred in winding up the partnership by failing to follow the governing statutes in KRUPA. Finally, we must address Chad's argument that the district court erred in its classification of property as personal property of Bruce instead of partnership property to be divided and it should have used the presumptions in KRUPA to formulate its classification of the property in question.

We examine the first and second issues independently and then address the third and fourth issues dealing with KRUPA together.

I. *Norman's estate's motion to substitute was filed within a reasonable time.*

Before we can delve into the substance of the issues on appeal, the introduction of additional facts and procedural history is necessary, so we begin there.

On December 4, 2025, while this appeal was pending in ready status, Norman sadly died. On December 16, 2025, Bruce filed a notice of suggestion of Norman's death. On that same date, Bruce's counsel served the notice of suggestion of death via FedEx to then-nonparty Chad Keenan.

On January 29, 2026, Bruce filed a motion for involuntary dismissal of this appeal, arguing that the appeal should be dismissed for the failure to move to substitute a party within a reasonable time after Norman's death. Then, 13 days later, Norman's counsel filed both a motion to substitute Chad as the administrator of Norman's estate, and a response in opposition to Bruce's dismissal motion.

The motions panel of our court denied Bruce's motion for involuntary dismissal. That order stated that "[t]he question of whether the motion to substitute was made within a 'reasonable time' is a factual question better left to the panel who will decide the merits of this case." The motions panel ordered both parties to file supplemental briefs on the issue of whether appellant moved to substitute a party within a reasonable time. Both parties complied with that order.

That same day, so the case could proceed to the next steps, the motions panel granted the motion to substitute Chad as the appellant.

The Parties' Arguments

Bruce first argues that Chad's response to his motion was untimely because under Kansas Supreme Court Rule 5.01(b) (2026 Kan. S. Ct. R. at 31), a response to this motion was due no later than seven days after being served. However, this is incorrect. While a party must respond to general motions within 7 days, a motion for involuntary dismissal permits a 14-day window to respond to the motion, which Chad complied with here. See Kansas Supreme Court Rule 5.05(a)(1) (2026 Kan. S. Ct. R. at 33).

Second, Bruce contends the "unexplained eight-week delay" in filing a motion to substitute was unreasonable because the excuses that Norman's counsel did not practice probate law and that Chad was mourning the death of his uncle were, essentially, invalid excuses. Bruce then argued that he was prejudiced by the delay because the case has been pending since 2021 and during that time, he has faced financial uncertainty.

In the response to the motion for involuntary dismissal and in Chad's supplemental brief, Norman's counsel and Chad argued the delay in filing a motion to substitute was reasonable. Both pointed to the practicalities in securing counsel that practiced probate law over the winter holidays so that Chad could be appointed as special administrator of Norman's estate, all while Chad was making final arrangements for his uncle, handling his affairs, and mourning his passing.

Norman's counsel also noted that Bruce was not prejudiced by the delay because such timelines are not abnormal in appellate litigation. In support of that argument, counsel noted a few examples of waiting periods within the case that were longer than the delay between the filing of the suggestion of death on December 16, 2025, and the motion to substitute on February 11, 2026, which was 57 days. For example, the time between the case being fully briefed and when the notice of suggestion of death was filed

was 88 days. In another example, the time between the filing of Norman's opening brief and Bruce's response to that brief was 84 days.

In his supplemental brief, Chad argues that the substitution must be made within a "reasonable time" under the totality of the circumstances and that, here, the 57-day delay was reasonable. He maintains that in every jurisdiction that establishes a definite timeline for substitution, 57 days would be within such a timeframe and that, while Kansas does not prescribe a definitive timeframe, the circumstances in this case justify the 57-day delay.

Standard of Review

Resolution of this issue requires interpretation of K.S.A. 60-225(a)(1), which governs the substitution of parties upon death when the claim is not extinguished. Statutory interpretation presents a question of law over which appellate courts have unlimited review. *Nicholson v. Mercer*, 319 Kan. 712, 714, 559 P.3d 350 (2024).

The most fundamental rule of statutory construction is that the intent of the Legislature governs if that intent can be ascertained. *H.B. v. M.J.*, 315 Kan. 310, 320, 508 P.3d 368 (2022). An appellate court must first attempt to ascertain legislative intent through the statutory language enacted, giving common words their ordinary meanings. *In re Wrongful Conviction of Sims*, 318 Kan. 153, 158, 542 P.3d 1 (2024). When a statute is plain and unambiguous, an appellate court should not speculate about the legislative intent behind that clear language, and it should refrain from reading something into the statute that is not readily found in its words. *Schmidt v. Trademark, Inc.*, 315 Kan. 196, 200, 506 P.3d 267 (2022). But when the statute's language or text is unclear or ambiguous, we "employ canons of construction, legislative history, or other background considerations to divine the legislature's intent and construe the statute accordingly."

Stewart Title of the Midwest v. Reece Nichols Realtors, 294 Kan. 553, 564-65, 276 P.3d 188 (2012).

The substitution of the special administrator of Norman's estate was proper.

K.S.A. 60-225(a)(1) provides, in pertinent part, that if a motion for substitution of the proper party is "not made within a reasonable time after service of a statement noting the death, the action by or against the decedent must be dismissed." As explained, Bruce contends the estate's delay in filing the motion for substitution was unreasonable.

"[T]he relevant time period for determining the reasonableness of a delay in substituting a party begins with the statement noting the death and ends with the filing of the motion for substitution." *Graham v. Herring*, 297 Kan. 847, 864, 305 P.3d 585 (2013). So, here, we look to the 57-day time frame, from when the notice of suggestion of death was filed to when the motion to substitute was filed, to decide if that delay was unreasonable.

When so doing, "the standard for determining whether a substitution motion has been made within a reasonable time is to consider the totality of the circumstances, which can include the fact of whether another party will be prejudiced by the substitution," but there are no specific factors we must consider when making this determination. 297 Kan. at 864. That is, although K.S.A. 60-225(a)(1)'s language demands strict compliance, "because the statute specifically provides for a 'reasonable time,' the 'reasonable time' should depend upon the totality of the circumstances." 297 Kan. at 863.

Chad argues that all other jurisdictions whose statutes of substitution upon death have fixed time periods for substitution would permit a substitution of a party at 57 days, so the delay must be reasonable. We note that the vast majority of jurisdictions provide a finite time limit on substitution, with 60 days appearing to be the shortest period, and that

only 5 states—Idaho, Kansas, New York, South Carolina, and Texas—have a "reasonable time" requirement in their substitution upon death provisions. See 297 Kan. at 863. Kansas, too, used to have a fixed period of one year within which to substitute for a deceased party, but as the Kansas Supreme Court discussed in *Graham*, it was eliminated for a more flexible standard. 297 Kan. at 859-60 ("The Kansas Legislature's elimination of the prior 1-year fixed period and rejection of the federal 90-day fixed period certainly suggests a legislative intent to create a more flexible standard in this state.").

Since that amendment, Kansas has used a more flexible standard that most other jurisdictions do not use. We, then, cannot rely on Chad's hypothetical compliance with other states' requirements because the Kansas Supreme Court in *Graham* paid the statutes with a specific time frame for substitution no mind. See 297 Kan. at 863.

Bruce argues, in part, that Chad's claims on appeal are meritless, and as a result, Bruce was prejudiced by the delay of substitution, which in turn postponed this case being set on a docket for hearing. It is true that the Kansas Supreme Court held that "an unexplained delay on an obviously frivolous claim or defense can give rise to an inference that the substituting party is attempting to unfairly gain some advantage from extending the litigation, *i.e.*, is being unreasonable." 297 Kan. at 864. But we do not dismiss Chad's claims as "obviously frivolous." In fact, as we explain below, we are convinced by his KRUPA argument. In reality, more delay was caused by Bruce opting to litigate the reasonability of the substitution than the delay in the filing of the motion for substitution itself.

Bruce also argues that the total length of the litigation has been filled with delays, so another delay prolonged his financial uncertainty and increased the prejudice to him. But the entire length of litigation is not our consideration; rather, "the relevant time period for determining the reasonableness of a delay in substituting a party begins with the statement noting the death and ends with the filing of the motion for substitution."

297 Kan. at 864. So, we are only concerned with assessing the reasonableness of the 57-day delay.

Having dismissed of the parties' unconvincing points of argument, we are now left with the primary question here—was the 57-day delay in substitution unreasonable? We conclude it was not. Chad provided a practical explanation for the delay. His uncle died on December 4, 2025, which is at the beginning of the winter holiday season. The attorney who Norman had retained for the appeal at issue here did not practice probate law, so Chad had to retain different counsel to assist him with the probate matters, at a time of year when many professionals are operating at a more limited capacity. Once he obtained counsel, he requested to be appointed as special administrator of Norman's estate and was so appointed the following day, which also was the day after Bruce filed a motion for involuntary dismissal. In the following 12 days, Chad's response to the motion for involuntary dismissal was prepared and then duly filed, as was his motion for substitution. And we also note that during this time Chad states he was handling his late uncle's other affairs, planning his final arrangements, and mourning his uncle's death. Given these real-world realities, we find that the 57-day delay in the substitution was not unreasonable and proceed to address the arguments initially briefed on appeal.

II. *The district court's order is final, and we possess jurisdiction over this appeal.*

Chad argues that this appeal must be dismissed because we lack jurisdiction. Specifically, he argues dismissal is necessary because the district court's journal entry is not a final order as it neither judicially dissolved the partnership nor was the division of the equipment clear. He insists the appeal should be dismissed so the district court can enter a final judgment dissolving the partnership.

In response, Bruce suggests that Chad's argument is merely an attempt to have the appeal dismissed so Chad can raise new issues to the district court. He contends that

Norman abandoned any claim for judicial resolution of the partnership by the time of trial because he did not include it in his pretrial case management checklist and did not mention KRUPA in his pretrial statement. Because the district court addressed all of Norman's counterclaims that were pursued at trial, Bruce asserts the district court's order is final, and we possess jurisdiction over this appeal.

Whether a district court's order is a final judgment is a legal question we review de novo. *Einsel v. Einsel*, 304 Kan. 567, Syl. ¶ 2, 374 P.3d 612 (2016). Similarly, whether jurisdiction exists is a question of law over which this court's scope of review is unlimited. *Shipe v. Public Wholesale Water Supply Dist. No. 25*, 289 Kan. 160, 165, 210 P.3d 105 (2009). Parties cannot grant a court jurisdiction by stipulation, consent, or waiver. *Bartlett Grain Co. v. Kansas Corporation Comm'n*, 292 Kan. 723, 726, 256 P.3d 867 (2011). "[W]hen the record discloses lack of jurisdiction, it is the duty of the court to dismiss the appeal." *Benchmark Property Remodeling v. Grandmothers, Inc.*, 319 Kan. 227, 233, 553 P.3d 974 (2023) (quoting *Materi v. Spurrier*, 192 Kan. 291, 292, 387 P.2d 221 [1963]).

Under article 3, section 3 of the Kansas Constitution, this court has "appellate jurisdiction as may be provided by law." Thus, the right of appeal is purely statutory. *Benchmark Property Remodeling*, 319 Kan. at 233.

K.S.A. 60-2102(a)(4) provides that "appellate jurisdiction of the court of appeals may be invoked by appeal as a matter of right from . . . [a] final decision in any action." "Final decision" is not statutorily defined. But the Kansas Supreme Court has "consistently recognized that the phrase is 'self-defining.'" 319 Kan. at 233. A "final decision" is one that "finally decides and disposes of the entire merits of the controversy and reserves no further questions or directions for the future or further action of the court." 319 Kan. at 233-34 (quoting *Honeycutt v. City of Wichita*, 251 Kan. 451, Syl. ¶ 1, 836 P.2d 1128 [1992]). The Kansas Supreme Court has also defined it as "an order that

definitely terminates a right or liability involved in an action or that grants or refuses a remedy as a terminal act in the case." *Kaelter v. Sokol*, 301 Kan. 247, 250, 340 P.3d 1210 (2015).

A close review of the district court's judgment in this case reveals what Chad complains of—there was no explicit judicial termination of the partnership. While the order denies the parties' monetary claims and counterclaims and then divides the farming equipment between the two parties, the order is missing any overt statement finding "this partnership is dissolved." Although the omission of such a statement is troubling, a review of the district court's judgment reveals that the order reserved no further questions for the future.

Bruce sought monetary damages and return of equipment while Norman, in his trial brief, asked the district court for "damages against [Bruce], asserting an ownership interest and return of certain farm machinery and equipment and legal dissolution of the farming partnership assets." He then stated: "More specifically, evidence will be presented to demonstrate the following" and then listed his claims for money damages, ownership interest in farm equipment, and "an equitable division of the assets of the farm operation partnership between [the parties]." The district court addressed both of Bruce's claims and each of Norman's monetary counterclaims—denying them all. The court found that the partnership had not dissolved in 2018, as Bruce claimed, and denied all claims for monetary damages and proceeded to, in its view, equitably divide the assets and equipment between the parties. We have no question that the district court was terminating the parties' rights in the partnership and refusing to assess monetary damages to either party, thereby granting or refusing a remedy as a terminal act. *Kaelter*, 301 Kan. at 250. Nothing was left for the district court to do, as it had disposed of the parties' claims.

Bruce claims that Norman abandoned any argument that he was seeking judicial resolution of the partnership because he did not mention application of KRUPA at pretrial. But Chad's argument on this issue is not application of KRUPA. Rather, his argument is that the district court did not address his request for judicial dissolution of the partnership, which is something that he requested in his trial position statement, just before trial. His pursuit of judicial dissolution of the partnership was not waived.

Chad relies in part on *Nicholson*, 319 Kan. at 714, to argue that Bruce is simply trying to "couch unpreserved statutory arguments as depriving" us of jurisdiction. But this case is inapplicable to these circumstances. In *Nicholson*, the appellant argued for the first time on appeal that the district court lacked subject matter jurisdiction over the statutory garnishment action, and that because the district court lacked subject matter jurisdiction, the appellate court likewise lacked jurisdiction. 319 Kan. at 714. But the Kansas Supreme Court held that once subject matter jurisdiction is properly invoked, the power to hear the case does not go away simply because the claim is flawed. *Nicholson* had failed to state a claim upon which relief could be granted, but that did not mean the court lacked jurisdiction to hear the case. 319 Kan. at 716-17. Here, though, Chad does not question our jurisdiction by way of questioning the district court's jurisdiction. He argues that we do not have jurisdiction because the order is not final. *Nicholson* is inapplicable.

Although there is some merit to Chad's first argument that the district court failed to explicitly terminate the partnership, the district court's order still fully disposed of the parties' claims. We conclude that the order was final, and we possess jurisdiction over the appeal. See *Benchmark Property Remodeling*, 319 Kan. at 233-34.

Next, Chad argues that the district court's order lacks the clarity needed for it to constitute a final order. In its property division, the district court specifically addressed each count of the petition, divided the partnership machinery and equipment, and

specified which party was responsible for "any debts, liens, encumbrances and liabilities on said machinery and equipment."

A judgment "should be complete and certain in itself." *Bandel v. Bandel*, 211 Kan. 672, Syl. ¶ 3, 508 P.2d 487 (1973). And its format should indicate the court's decision "with reasonable clearness" so the parties can "ascertain the extent to which their rights and obligations are fixed, and so that the judgment is susceptible of enforcement." 211 Kan. 672, Syl. ¶ 3.

Chad complains that the second and third paragraphs of the judgment—which are mirrors of each other, setting over property to each party—are not specific enough to constitute final orders because they do not specify each item of property the district court intended to award to each party. However, the following two paragraphs, in which the district court lists the specific property to be exchanged, makes it clear that after the exchange of the listed property all the partnership's property in possession of Bruce and Norman is no longer partnership property and is now the personal property of each party. Chad's argument ignores the district court's specific property allocation.

Besides, should Norman have found this allocation to be inadequate, he had "an obligation to object to inadequate fact-findings and legal conclusions to preserve issues for appeal." *State v. Martin*, 318 Kan. 538, 559, 544 P.3d 820 (2024) (citing *Fischer v. State*, 296 Kan. 808, 825, 295 P.3d 560 [2013]). If Norman believed additional findings were necessary for the order to be clear, K.S.A. 60-252(b) permits a party to bring a motion for additional findings and for the district court to amend the judgment accordingly. But no such motion was made here. "Where no objection is made, we presume the trial court found all the facts necessary to support its judgment." *Martin*, 318 Kan. at 559 (citing *Dragon v. Vanguard Industries*, 282 Kan. 349, 356, 144 P.3d 1279 [2006]).

Because the order was sufficiently clear and final, we have jurisdiction over the issues on appeal, and we continue to consider Chad's merits arguments regarding KRUPA.

III. *Necessary Application of the Kansas Revised Uniform Partnership Act*

Chad makes two separate arguments relating to the application of KRUPA. First, he explains that the district court erred in winding up the partnership by failing to follow the governing statutes in KRUPA. Specifically, he argues that the district court should have, sua sponte, applied KRUPA to use partnership assets to satisfy the partnership's obligations, to account for assets and obligations in the partners' individual capital accounts, and to distribute any surplus in those capital accounts to the partners. He asserts that it was error for the district court to attempt to purely equitably divide partnership assets instead of utilizing the winding up procedure in KRUPA and the 50/50 nature of the partnership agreement.

Second, he argues the district court incorrectly classified property as individual property when there was evidence that the property was purchased with partnership funds and was, therefore, partnership property. He maintains that the district court erred in not applying KRUPA's rebuttable presumption that property is partnership property if it is obtained with partnership assets, even if the property is owned in an individual partner's name.

Because these issues are closely intertwined and both utilize the same standard of review and legal principles, we combine our analysis of Chad's second and third arguments on appeal into a single issue.

In response, Bruce argues that this argument is not preserved for appeal because Norman never asked the district court to utilize KRUPA when classifying and dividing

the property and winding up the partnership. He also argues that Norman invited any error in the nonapplication of KRUPA because he never mentioned the Act below. Further, Bruce argues that even if KRUPA were applicable, the district court did not abuse its discretion in resolving Norman's counterclaims outside of KRUPA's structure because the claims were resolved in an equitable manner.

We begin with Bruce's invited error and preservation arguments and then move to the substance of Chad's argument on appeal.

Invited error does not prevent us from reaching the merits of this argument.

Whether the doctrine of invited error applies is a question of law subject to unlimited review. *State v. Slusser*, 317 Kan. 174, 179, 527 P.3d 565 (2023). A party cannot invite an error and then complain about it on appeal. *Water Dist. No. 1 of Johnson Co. v. Prairie Center Dev.*, 304 Kan. 603, 618, 375 P.3d 304 (2016).

Bruce points to the fact that Chad argues on appeal that the district court erred in equitably dividing the assets instead of following KRUPA, yet before the district court, Norman asserted he was "entitled to an *equitable division* of the [partnership's] assets." (Emphasis added.) Although this is true, in the same document, Norman also claimed "an entitlement to, at least and at a minimum, 50% of the [partnership equipment] pursuant to the on-going partnership agreement of the parties." Norman did not solely rely on equity for the division of the partnership assets, and Bruce selects a single sentence from Norman's trial position statement while ignoring his other requests. We find invited error inapplicable here.

Our legal resolution does not rest on preservation.

It is a well-known maxim of appellate law that issues not raised before the district court cannot be raised on appeal. See *In re N.E.*, 316 Kan. 391, 407, 516 P.3d 586 (2022). And Kansas Supreme Court Rule 6.02(a)(5) (2026 Kan. S. Ct. R. at 36) requires an appellant "pinpoint . . . the location in the record on appeal where the issue was raised and ruled on." Here, Chad states the issue of the application and compliance with KRUPA was raised when he "asked the district court in his pleading to dissolve the Partnership, and specifically sought half of the Partnership's equipment." We agree with Bruce that an exhaustive review of the record reveals that Norman never once mentioned KRUPA or any resolution of the partnership or division of the assets thereunder. Nor does Chad point to any spot in the record where the district court ruled on this issue. As such, Chad raises the application of KRUPA for the first time on appeal, which generally is not permitted. See *In re N.E.*, 316 Kan. at 407.

Even so, as we next describe in more detail below, here we are not considering simply a new position or argument. What we now examine is whether the district court applied the correct legal standard. This, then, is a question of law that the appellate courts review de novo, despite what the parties argued before the district court. As a result, we continue to consider the substance of Chad's arguments.

The Merits of Chad's KRUPA Arguments

Generally, "[w]hen a court supervises the dissolution of a partnership, it acts as a court of equity." *In re PB&R*, 52 Kan. App. 2d 871, 874, 380 P.3d 234 (2016). "A court sitting in equity has the discretion to determine what is fair and equitable under the circumstances," so its actions are reviewed for abuse of discretion. 52 Kan. App. 2d at 874. "A district court abuses its discretion if its action is based on an error of law or fact or is otherwise arbitrary or unreasonable." 52 Kan. App. 2d at 874.

An appellate court exercises unlimited review over a district court's legal conclusions and reviews its factual findings to determine if they are supported by substantial competent evidence. 52 Kan. App. 2d at 875. When assessing whether the district court's findings of fact are supported by substantial competent evidence, an appellate court "must accept as true the evidence and all the reasonable inferences drawn from the evidence which support the district court's findings and must disregard any conflicting evidence or other inferences that might be drawn from it." *Gannon v. State*, 308 Kan. 372, 382, 420 P.3d 477 (2018). In so doing, we will not reweigh the evidence or assess witnesses' credibility. 308 Kan. at 382.

The parties do not dispute that Bruce and Norman were in a partnership, and they also do not dispute that there was no written agreement governing the partnership. Although a court supervising a dissolution "acts as a court of equity" with discretion to do what is fair, this is unless the "issue is specifically addressed by statute . . . or the partnership agreement," and K.S.A. 56a-104(a) makes equity merely supplemental to the Act. *In re PB&R*, 52 Kan. App. 2d 871, 874, 380 P.3d 234 (2016).

The law is clear that when there is no written partnership agreement, KRUPA governs the partnership. K.S.A. 56a-103(a) ("To the extent the partnership agreement does not otherwise provide, this act governs relations among the partners and between the partners and the partnership."); *Stephens v. Ainsworth*, 56 Kan. App. 2d 668, Syl. ¶ 4, 437 P.3d 51 (2019) ("Where no partnership agreement is shown the Kansas Revised Uniform Partnership Act [RUPA] governs relations among the partners and between partners and the partnership.").

So, then, the controlling principle is that KRUPA applies whenever a partnership agreement is silent. Kansas appellate courts have treated conformity to KRUPA as effectively mandatory in winding up a partnership, rejecting a wind-up plan that "would never follow the applicable statutes and account for the partners'" capital accounts.

PB&R, 52 Kan. App. 2d at 888; see also *Stephens*, 56 Kan. App. 2d at 673 (finding "[b]ecause the parties had no partnership agreement to govern [the determination of whether a property was partnership property], the RUPA governs"). But what should we make of the fact that the district court was not specifically *asked* by the parties to apply KRUPA?

Our research reveals no Kansas decisions that expressly apply KRUPA, or the prior Uniform Partnership Act (UPA), sua sponte against parties who did not request it, or that find that the court's failure to do so amounts to reversible error. For the reasons explained here, we explicitly make such rulings.

First, we rely upon the antecedent proposition clearly marked by Kansas precedent—that by force of K.S.A. 56a-103(a), the Act governs dissolution and winding up whenever a partnership agreement is silent. Kansas courts have repeatedly applied KRUPA on that basis rather than because a party to litigation requested its application, although thus far, it appears parties have requested as much. But we recognize this would be the first time a court has required the district court to apply the law independently.

Generally, Kansas appellate courts have recognized a principle distinct from ordinary preservation doctrine—that is, whether the district court applied the correct legal standard is a question of law, in and of itself, that the appellate courts review *de novo*. This is true regardless of what the parties argued, conceded, or stipulated before the district court. For example, our Supreme Court has articulated the rule that parties cannot stipulate to, or bind a court on, a question of law. In *State v. Weber*, the court rejected the State's waiver and stipulation arguments, finding that the parties' acquiescence "did not absolve the [district] court of its *duty to decide the questions of law necessary* to impose sentence." (Emphasis added.) 297 Kan. 805, 815, 304 P.3d 1262 (2013). It highlighted that unlike a factual stipulation, the legal effect of a fact "must rest upon the court, uninfluenced by stipulations of the parties." 297 Kan. at 814-15. Importantly, the court

dispensed with the State's express waiver theory, reinforcing that the district court's failure to apply the correct sentencing law was a merits question, not a question Weber had forfeited through concession. Because the district court failed to independently apply the controlling statutory definition, the court vacated Weber's sentence and remanded the case for the district court to find "all factual and legal determinations necessary." 297 Kan. at 816.

We find similar support in another Kansas case. In *Wolfe Electric, Inc. v. Duckworth*, our Supreme Court found that even where a party had conceded a legal argument and so abandoned it, the court "nevertheless must address the accuracy of the purported legal basis of its concession." 293 Kan. 375, 400, 266 P.3d 516 (2011). This case reiterated the rule that Kansas courts repeatedly quote: "questions of law must be determined by the court, unlimited by agreement of the litigants; their stipulations as to what the law is are ineffective to bind the court," and a court "is not bound by an admission of law made by one party in its brief." 293 Kan. at 400 (citing *Urban Renewal Agency v. Reed*, 211 Kan. 705, 711-12, 508 P.2d 1227 [1973]). Even absent an agreement or admission, the rule must remain true—the court is not bound by the party's failure to cite the applicable law.

To find as much would be to set our legal error framework on its head. It has long been held that whether the district court applied the correct legal standard is "a question of law over which appellate courts exercise unlimited review." *In re Parentage of R.R.*, 317 Kan. 691, 695, 538 P.3d 838 (2023). Because our appellate review is de novo, the appellate court decides the legal question regardless of how—or whether—the parties framed it below.

The remedy utilized by the appellate courts confirms our characterization of this principle. In a case wherein the appellate court finds the district court applied the wrong legal standard, the appellate courts reverse or vacate the district court's judgment and

remand the case for application of the "correct legal framework." See *State v. Phillips*, 312 Kan. 643, 660-61, 479 P.3d 176 (2021) ("Ordinarily, when a district court fails to apply the appropriate legal standard and/or fails to make adequate findings on the record, precluding meaningful appellate review, the appropriate remedy is to remand the cause to the same district judge who conducted the hearing to make adequate findings and conclusions under the correct legal framework."). We approach this, then, as the resolution of a substantive legal error, which distinguishes this case from an appellate court's general refusal to consider the disposition of an unpreserved issue.

To support this stated principle in this case, we also look to other jurisdictions faced with partnership wind-up questions. In *Schwinn v. Schwinn*, the Wyoming Supreme Court reversed a district court that had found the RUPA dissolution provision inapplicable. 573 P.3d 485, 494 (Wyo. 2025) (applying Illinois RUPA under a choice-of-law clause). There, the court found that an at-will partner's notice of withdrawal triggered dissolution and winding up of the partnership under Illinois RUPA Section 801(1) and that the district court erred when it found the law was inapplicable. 573 P.3d at 494. On remand, absent an agreement provision varying the default rules, the district court "should find dissolution and winding up under Section 801(1) was triggered . . . and order the parties to follow the winding up process set out in Article 8 of the RUPA." 573 P.3d at 495. Where the statute's judicial-dissolution criteria are met, the court emphasized, "the district court *must* order the Partnership's business to be wound up"—that is, the RUPA supplies a statutory command independent of the parties' framing. (Emphasis added.) 573 P.3d at 496.

In *O'Neal v. Burley*, the North Carolina Court of Appeals reversed and remanded a wind-up judgment, holding that because the entity was a general partnership, the North Carolina Uniform Partnership Act governed and the trial court "erred in its classification, valuation, and distribution of partnership assets and liabilities." 287 N.C. App. 640, 652, 884 S.E.2d 462 (2023). Because the UPA supplies "gap-filling *default rules*" that govern

absent a contrary agreement, and "because there is no provision in the Agreement to the contrary, the distribution rules set out in [the statute] are applicable to the wind up." (Emphasis added.) 287 N.C. App. at 652. The court remanded the case to the district court for dissolution and wind up "pursuant to the Uniform Partnership Act." 287 N.C. App. at 652.

Although no case expressly relies on the fact that no party requested the statute's application, we find support for that premise by inference: KRUPA governs these facts as a matter of law, so a failure to apply that law is error. KRUPA applies by default, as outlined in K.S.A. 56a-103(a), because the Act governs dissolution and winding up whenever a partnership agreement is silent. Here, the partnership agreement was not in writing, and as a result was silent, invoking KRUPA's application.

There is no question that the district court neither referenced KRUPA nor applied its provisions in the dissolution and winding up of Bruce and Norman's partnership. KRUPA offers step-by-step directions on how to wind up the partnership. Under the Act, when a partnership dissolves and winds up its business, it must first repay any creditors. K.S.A. 56a-807(a). After that, "[e]ach partner is entitled to a settlement of all partnership accounts upon winding up the partnership business." K.S.A. 56a-807(b). If any partner has a negative capital-account balance, he or she must pay into the partnership to bring the balance up to zero. K.S.A. 56a-807(b) ("A partner shall contribute to the partnership an amount equal to any excess of the charges over the credits in the partner's account."). If a partner has a positive capital-account balance, he or she receives that balance from the partnership. K.S.A. 56a-807(b) ("The partnership shall make a distribution to a partner in an amount equal to any excess of the credits over the charges in the partner's account."). If the partnership's assets are insufficient to satisfy the obligations, the partnership can require contributions from its partners. K.S.A. 56a-807(c)-(f).

While there is no doubt this was a complicated farming operation, the framework for resolution is not as complicated as it seems: there is no written partnership agreement; when there is no written agreement, the Act applies; and the Act required that partners repay negative capital accounts and that the partnership pay out positive capital accounts to the partners. See K.S.A. 56a-807; K.S.A. 56a-103(a).

But within the district court's judgment, there is no determination of the partnership's capital account balance at the time of dissolution. In fact, the district court did not state a date of dissolution, so we are unable to examine the factual findings in the district court's order to determine what the partnership's capital account balance was at the point of dissolution. Further, the order only identified one of the partnership's obligations—the co-op. But there was testimony that while the partnership was still ongoing after 2018, Bruce purchased inputs from other suppliers. And beyond that, there was testimony of the debts on the equipment obtained by the partnership, but those obligations do not seem to have been included in the partnership's liabilities.

In addition, it appears the district court did not determine what property and other assets belonged to the partnership at the time of dissolution. It explained:

"Throughout their Partnership each party owned certain equipment and machinery individually, as well as machinery and equipment jointly owned by the Partnership. [Bruce] asserts that effective December 31, 2018, the parties agreed that [he] was to own the machinery and equipment of the Partnership at that time. [Bruce] further asserts he would share any machinery and equipment with [Norman], and plant and harvest [Norman's] crops as long as [Bruce] made all the debt payments on the machinery equipment. [Norman] denies [Bruce's] assertion.

"The key issue in this case is that there was nothing in writing between the parties concerning the Partnership or a modification and/or termination of the Partnership. All the jointly owned machinery and equipment of the Partnership has been traded-in for machinery and equipment that is now owned by [Bruce]. [Norman] denies

that the Partnership was terminated in 2018. [Norman] further denies that he consented, either orally or in writing, to all the trade-ins and purchases by [Bruce]."

The district court then later held:

"In regard to Count IV of Petition and the issue of the Partnership machinery and equipment this matter is complicated because [Bruce] sold and purchased some of the Partnership machinery and equipment in his name only. [Norman] was not consulted regarding these purchases and sales. The Court finds that both [Bruce] and [Norman] have not met their burden from the evidence presented to the court in regards to the division of the machinery and equipment; and therefore, the Court denies these claims."

Essentially in this holding on one line, the district court found that there was no partnership property in the equipment or any partnership obligations in the debts of this property. Yet in another, the district court acknowledges that there was partnership property in Bruce's name without determining what that property was.

But KRUPA provides a framework under which courts are to determine if property is partnership property or personal property when the property is not titled in the partnership's name, as was the case here, via K.S.A. 56a-204(c) and (d). Subsection (c) instructs that property is presumed to be partnership property when purchased with partnership assets—even when the titling document does not so indicate:

"(c) Property is presumed to be partnership property if purchased with partnership assets, even if not acquired in the name of the partnership or of one or more partners with an indication in the instrument transferring title to the property of the person's capacity as a partner or of the existence of a partnership." K.S.A. 56a-204(c).

"If partnership assets were used in the purchase, the property is presumed to be partnership property, notwithstanding the state of title." Hecker, The Kansas Revised Uniform Partnership Act, 68 J.K.B.A. 16, 20 (October 1999). So the district court's

finding that "[a]ll the jointly owned machinery and equipment of the Partnership has been traded-in for machinery and equipment that is now owned by [Bruce]" is incorrect. Partnership property was used (traded in) to purchase the property "now owned by" Bruce, so the new property is partnership property.

If some of the property at issue here was acquired in the name of one or more of the partners without reference to the partnership or to the person as a partner and without use of partnership assets, the contrary presumption arises under subsection (d)—the property is presumed to be separate property. That subsection requires:

"(d) Property acquired in the name of one or more of the partners, without an indication in the instrument transferring title to the property of the person's capacity as a partner or of the existence of a partnership and without use of partnership assets, is presumed to be separate property, even if used for partnership purposes." K.S.A. 56a-204(d).

The district court paid no mind to these provisions and applied neither presumption when assessing the partnership's ownership of the equipment. This was an error of law and, thus, an abuse of discretion. See *In re PB&R*, 52 Kan. App. 2d at 874.

The parties both provide this court with numerous monetary amounts that could be used to assess the partnership's obligations and assets at the time of dissolution. For example, Bruce provides totals of "individual equipment payments" he made on 17 different pieces of equipment from 2018 through 2022, all of which were testified to below. But engaging in such an exercise requires findings of fact that the district court did not make, and we are not a factfinding court. See *Gannon*, 308 Kan. at 382.

In short, because there was no written agreement, KRUPA was applicable and the district court made an error of law in not applying the necessary statutes to classify the property in question and to wind up the partnership. As a result, we must remand this

case for proper classification of the alleged partnership property under KRUPA and then conduct the subsequent winding up of the partnership in accordance with that Act. When so doing, the district court may make decisions based in equity within reason, but those decisions cannot "prejudice the rights of either party." *In re PB&R*, 52 Kan. App. 2d at 874 (quoting *Maras v. Stilinovich*, 268 N.W.2d 541, 544 [Minn. 1978]).

Reversed and remanded with directions.