

386A.7-050 Effect of merger.

A merger shall have the following effects:

- (1) The constituent organizations that are parties to the merger shall be a single entity, which shall be the entity designated in the plan of merger as the surviving constituent organization;
- (2) Each constituent organization, except the surviving constituent organization, shall cease to exist;
- (3) The surviving constituent organization shall possess all the rights, privileges, immunities, and powers of each constituent organization and shall be subject to all the restrictions, disabilities, and duties of each of the constituent organizations to the extent the rights, privileges, immunities, powers, restrictions, disabilities, and duties are applicable to the type of constituent organization that is the surviving constituent organization;
- (4) All property, real, personal, and intangible, and all debts due on whatever account, including promises to make capital contributions and subscriptions for shares, beneficial interests, limited liability company interests or other interests in a constituent organization, and all other choses in action, and all and every other interest of, belonging to, or due to each of the constituent organizations shall be vested in the surviving constituent organization without further act or deed;
- (5) The title to all property, whether real, personal, or intangible, and any interest therein, vested in any constituent organization shall not revert or be in any way impaired by reason of the merger;
- (6) The surviving constituent organization shall be liable for all liabilities and obligations of each of the constituent organizations merged, and any claim existing or action or proceeding pending by or against any constituent organization may be prosecuted as if the merger had not taken place, or the surviving constituent organization may be substituted in the action;
- (7) Neither the rights of creditors nor any liens on the property of any constituent organization shall be impaired by the merger;
- (8) The interests in a constituent organization that are to be converted or exchanged into interests, other securities, cash, obligations, or other property under the terms of the plan of merger are so converted, and the former holders thereof are entitled only to the rights provided in the plan of merger or the rights otherwise provided by law; and
- (9) A partner or, in the case of a limited partnership, a general partner, who becomes a beneficial owner of a statutory trust as a result of a merger, shall remain liable as a partner or general partner for an obligation incurred by the partnership or limited partnership before the merger takes effect. A limited partner who becomes a beneficial owner as a result of a merger shall remain liable only as a limited partner for an obligation incurred by the limited partnership before the merger takes effect. A partner's liability for all other obligations of the statutory trust incurred after the merger takes effect shall be that of a beneficial owner as provided in this chapter.

Effective: July 12, 2012

History: Created 2012 Ky. Acts ch. 81, sec. 60, effective July 12, 2012.