

§357. Effect of merger, consolidation, conversion or acquisition

From and after the effective date of a merger, consolidation, conversion or acquisition, the resulting institution may conduct business in accordance with the terms of the plan as approved; provided that: [PL 1975, c. 500, §1 (NEW).]

1. Continuing entity. Even though the charter of any participating or converting institution has been terminated, the resulting institution shall be deemed to be a continuation of the entity of the participating or converting institution such that all property of the participating or converting institution, including rights, titles and interests in and to all property of whatsoever kind, whether real, personal or mixed, and things in action, and every right, privilege, interest and asset of any conceivable value or benefit then existing, or pertaining to it, or which would inure to it, including appointments, designations and nominations, and all other rights and interests as trustee, personal representative, guardian and conservator, and in every other fiduciary capacity, shall immediately by act of law and without any conveyance or transfer and without further act or deed be vested in and continue to be that property of the resulting institution; and such institution shall have, hold and enjoy the same in its own right as fully and to the same extent as the same was possessed, held and enjoyed by the participating or converting institution and such resulting institution as of the time of the taking effect of such merger, consolidation, conversion or acquisition shall continue to have and succeed to all the rights, obligations and relations of the participating or converting institution. [PL 1983, c. 42 (AMD).]

2. Effect on judicial proceedings. All pending actions and other judicial proceedings to which the participating or converting institution is a party shall not be deemed to have been abated or to have been discontinued by reason of such merger, consolidation, conversion or acquisition, but may be prosecuted to final judgment, order or decree in the same manner as if such action had not been taken; and such institution resulting from such merger, consolidation, conversion or acquisition may continue such action in its new name, and any judgment, order or decree may be rendered for or against it which might have been rendered for or against the participating or converting institution theretofore involved in such judicial proceedings. [PL 1975, c. 500, §1 (NEW).]

3. Creditor's rights. The resulting institution in a merger, consolidation, conversion or acquisition shall be liable for all obligations of the participating or converting institution which existed prior to such action, and the action taken shall not prejudice the right of a creditor of the participating or converting institution to have his debts paid out of the assets thereof, nor shall such creditor be deprived of, or prejudiced in, any action against the officers, directors, incorporators or members of a participating or converting institution for any neglect or misconduct. [PL 1975, c. 500, §1 (NEW).]

4. Exception. In the event of an acquisition of assets pursuant to section 355, the provisions of subsections 1 through 3 of this section shall apply only to the assets acquired and the liabilities assumed by the resulting institution; provided that sufficient assets to satisfy all liabilities not assumed by the resulting institution are retained by the transferring institution. [PL 1975, c. 500, §1 (NEW).]

SECTION HISTORY

PL 1975, c. 500, §1 (NEW). PL 1983, c. 42 (AMD).

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