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SENATE FILE 2399
BY COMMITTEE ON JUDICIARY

(SUCCESSOR TO SSB 2109)

Passed Senate ^(p.699) Date 3/12/98 Passed House ^(p.1136) Date 4-1-98
Vote: Ayes 42 Nays 0 Vote: Ayes 99 Nays 0
Approved 4/15/98

A BILL FOR

1 An Act providing for the merger of a limited partnership with
2 other business entities.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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S.F. 2399

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1 Section 1. NEW SECTION. 487.1201 MERGER.

2 1. Any one or more limited partnerships may merge with or
3 into any one or more limited partnerships, limited liability
4 companies, or corporations, provided that no limited partner
5 of a limited partnership that is a party to the merger will,
6 as a result of the merger, become personally liable for the
7 liabilities or obligations of any other person or entity
8 unless that limited partner approves the plan of merger or
9 otherwise consents to becoming personally liable.

10 2. Unless otherwise provided in the partnership agreement,
11 each domestic limited partnership which is to merge must
12 approve the merger by approval of all general partners, and by
13 limited partners who own more than fifty percent of the then
14 current percentage or other interest in the profits of the
15 domestic limited partnership owned by all of the limited
16 partners. If more than one class or group of limited partners
17 exists, the merger must be approved by the limited partners in
18 each class or group who own more than fifty percent of the
19 then current percentage or other interest in the profits of
20 the domestic limited partnership owned by all of the limited
21 partners of such class or group.

22 3. In connection with a merger under this section, rights
23 or securities of, or interests in, a limited partnership,
24 limited liability company, or corporation which is a
25 constituent party to the merger may be exchanged for or
26 converted into cash, property, rights, or securities of, or
27 interest in, a limited partnership, limited liability company,
28 or corporation which is the surviving entity or, in addition
29 to or in lieu of such cash, property, rights, securities, or
30 interests, may be exchanged for or converted into cash,
31 property, rights, or securities of, or interest in, a limited
32 partnership, limited liability company, or corporation other
33 than the surviving entity.

34 Sec. 2. NEW SECTION. 487.1202 PLAN OF MERGER.

35 1. Each constituent party to the merger must enter into a

1 written plan of merger, which must be approved in accordance
2 with section 487.1203.

3 2. The plan of merger must set forth all of the following:

4 a. The name of each constituent party to the merger and
5 the name of the surviving entity into which each other
6 constituent party proposes to merge.

7 b. The terms and conditions of the proposed merger.

8 c. The manner and basis of converting the interests in
9 each constituent party to the merger into interests, shares,
10 or other securities or obligations of the surviving entity, or
11 of any other entity, or, in whole or in part, into cash or
12 other property.

13 d. Such amendments to the certificate of limited
14 partnership of a limited partnership, articles of organization
15 of a limited liability company, or articles or certificate of
16 incorporation of a corporation, as the case may be, of the
17 surviving entity as are desired to be effected by the merger,
18 or that such changes are not desired.

19 e. Other provisions relating to the proposed merger as are
20 deemed necessary or desirable.

21 Sec. 3. NEW SECTION. 487.1203 ACTION ON PLAN.

22 1. A proposed plan of merger complying with the
23 requirements of section 487.1202 shall be approved in the
24 manner provided by this section:

25 a. A limited partnership which is a party to a proposed
26 merger shall have the plan of merger authorized and approved
27 in the manner and by the vote required in section 487.1201.

28 b. A limited liability company which is a party to a
29 proposed merger shall have the plan of merger authorized and
30 approved as required by chapter 490A.

31 c. A corporation which is a party to a proposed merger
32 shall have the plan of merger authorized and approved in the
33 manner and by the vote required by chapter 490.

34 2. After a merger is authorized, unless the plan of merger
35 provides otherwise, and at any time before articles of merger

1 as provided for in section 487.1204 are filed, the plan of
2 merger may be abandoned subject to any contractual rights, in
3 accordance with the procedure set forth in the plan of merger
4 or, if none is set forth, in one of the following ways:

5 a. By the limited partners of any limited partnership that
6 is a constituent party as provided in section 487.1201.

7 b. By the majority consent of the members of each limited
8 liability company that is a constituent party, unless the
9 articles of organization or an operating agreement of such
10 limited liability company provides otherwise.

11 c. In the manner determined by the board of directors of
12 any corporation that is a constituent entity.

13 Sec. 4. NEW SECTION. 487.1204 ARTICLES OF MERGER.

14 1. After a plan of merger is approved as provided in
15 section 487.1203, the surviving entity shall deliver to the
16 secretary of state for filing articles of merger duly executed
17 by each constituent party setting forth all of the following:

18 a. The name of each constituent party.

19 b. The plan of merger.

20 c. The effective date of the merger if later than the date
21 of filing of the articles of merger.

22 d. The name of the surviving entity.

23 e. A statement that the plan of merger was duly authorized
24 and approved by each constituent party as provided in section
25 487.1203.

26 2. A merger takes effect upon the later of the effective
27 date of the filing of the articles of merger or the date set
28 forth in the plan of merger.

29 Sec. 5. NEW SECTION. 487.1205 EFFECT OF MERGER.

30 When a merger takes effect all of the following apply:

31 1. Every other constituent party merges into the surviving
32 entity and the separate existence of every constituent party
33 except the surviving entity ceases.

34 2. The title to all real estate and other property owned
35 by each constituent party is vested in the surviving entity

1 without reversion or impairment.

2 3. The surviving entity has all liabilities of each
3 constituent party.

4 4. A proceeding pending against any constituent party may
5 be continued as if the merger did not occur or the surviving
6 entity may be substituted in the proceeding for the
7 constituent party whose existence ceased.

8 5. The articles or limited partnership agreement of the
9 surviving entity are amended to the extent provided in the
10 plan of merger.

11 6. The shares or interests of each constituent party that
12 are to be converted into shares, obligations, or other
13 securities of the surviving or any other entity or into cash
14 or other property are converted, and the former holders of the
15 shares or interests are entitled only to the rights provided
16 in the articles of merger except for dissenters' rights
17 provided by law.

18 7. Except as provided by agreement with a person to whom a
19 general partner of a limited partnership is obligated, a
20 merger of a limited partnership that has become effective
21 shall not affect any obligation of liability existing at the
22 time of such merger of a general partner of a limited
23 partnership which is merging.

24 8. If a limited partnership is a constituent party to a
25 merger that becomes effective, but the limited partnership is
26 not the surviving entity of the merger, a judgment creditor of
27 a general partner of such limited partnership may not levy
28 execution against the assets of the general partner to satisfy
29 a judgment based on a claim against the surviving entity of
30 the merger unless any of the following applies:

31 a. A judgment based on the same claim has been obtained
32 against the surviving entity of the merger and a writ of
33 execution on the judgment is returned unsatisfied in whole or
34 in part.

35 b. The surviving entity of the merger is a debtor in

1 bankruptcy.

2 c. The general partner agrees that the creditor need not
3 exhaust the assets of the limited partnership that was not the
4 surviving entity of the merger.

5 d. The general partner agrees that the creditor need not
6 exhaust the assets of the surviving entity of the merger.

7 e. A court grants permission to the judgment creditor to
8 levy execution against the assets of the general partner based
9 on a finding that the assets of the surviving entity of the
10 merger that are subject to execution are clearly insufficient
11 to satisfy the judgment, that exhaustion of the assets of the
12 surviving entity of the merger is excessively burdensome, or
13 that the grant of permission is an appropriate exercise of the
14 court's equitable powers.

15 f. Liability is imposed on the general partner by law or
16 contract independent of the existence of the surviving entity
17 of the merger.

18 Sec. 6. NEW SECTION. 487.1206 MERGER WITH FOREIGN
19 ENTITY.

20 1. Any one or more limited partnerships of this state may
21 merge with or into one or more foreign limited partnerships,
22 foreign limited liability companies, or foreign corporations,
23 or any one or more foreign limited partnerships, foreign
24 limited liability companies, or foreign corporations may merge
25 with or into any one or more limited partnerships of this
26 state, if all of the following apply:

27 a. The merger is permitted by the law of the state or
28 jurisdiction under whose law each foreign constituent party is
29 organized or formed and each foreign constituent party
30 complies with that law in effecting the merger.

31 b. The foreign constituent party complies with section
32 487.1204 if it is the surviving entity.

33 c. Each domestic constituent party complies with the
34 applicable provisions of sections 487.1202 and 487.1203 and,
35 if it is the surviving entity, with section 487.1204.

1 2. Upon a merger involving one or more domestic limited
2 partnerships taking effect, if the surviving entity is to be
3 governed by the law of any state other than this state or of
4 any foreign country, the surviving entity shall agree to both
5 of the following:

6 a. That it may be served with process in this state in any
7 proceeding for enforcement of any obligation of any
8 constituent party to the merger that was organized under the
9 law of this state, as well as for enforcement of any
10 obligation of the surviving entity arising from the merger.

11 b. To irrevocably appoint the secretary of state as its
12 agent for service of process in any such proceeding, and the
13 surviving entity shall specify the address to which a copy of
14 the process shall be mailed to it by the secretary of state.

15 3. The effect of the merger shall be as provided in
16 section 487.1205, if the surviving entity is to be governed by
17 the law of this state. If the surviving entity is to be
18 governed by the law of any jurisdiction other than this state,
19 the effect of the merger shall be the same as provided in
20 section 487.1205, except insofar as the law of the other
21 jurisdiction provides otherwise.

22 EXPLANATION

23 This bill provides provisions relating to the merger of
24 limited partnerships with and into other limited partnerships,
25 limited liability companies, and corporations.

26 New Code section 487.1201 establishes basic authority for a
27 limited partnership to merge into one or more limited
28 partnerships, limited liability companies, or corporations.

29 New Code section 487.1202 establishes the requirements for
30 a plan of merger.

31 New Code section 487.1203 establishes the manner in which a
32 merger is to be approved by the various entities to a merger
33 with a limited partnership.

34 New Code section 487.1204 provides that after a plan of
35 merger is approved, the surviving entity must deliver the

1 articles of merger to the secretary of state for filing.

2 New Code section 487.1205 sets forth the effects of a
3 merger with respect to the assets and liabilities of the
4 parties to the merger and the surviving entity.

5 New Code section 487.1206 establishes the manner in which a
6 limited partnership may merge with a foreign entity.

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SSB-2109
Judiciary

SENATE FILE ^{Succeeded By} ~~CF/HF~~ 2399
BY (PROPOSED COMMITTEE ON
JUDICIARY BILL BY CHAIR-
PERSON MCKEAN)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act providing for the merger of a limited partnership with
2 other business entities.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. NEW SECTION. 487.1201 MERGER.

2 1. Any one or more limited partnerships may merge with or
3 into any one or more limited partnerships, limited liability
4 companies, or corporations, provided that no limited partner
5 of a limited partnership that is a party to the merger will,
6 as a result of the merger, become personally liable for the
7 liabilities or obligations of any other person or entity
8 unless that limited partner approves the plan of merger or
9 otherwise consents to becoming personally liable.

10 2. Unless otherwise provided in the partnership agreement,
11 each domestic limited partnership which is to merge must
12 approve the merger by approval of all general partners, and by
13 limited partners who own more than fifty percent of the then
14 current percentage or other interest in the profits of the
15 domestic limited partnership owned by all of the limited
16 partners. If more than one class or group of limited partners
17 exists, the merger must be approved by the limited partners in
18 each class or group who own more than fifty percent of the
19 then current percentage or other interest in the profits of
20 the domestic limited partnership.

21 3. In connection with a merger under this section, rights
22 or securities of, or interests in, a limited partnership,
23 limited liability company, or corporation which is a
24 constituent party to the merger may be exchanged for or
25 converted into cash, property, rights, or securities of, or
26 interest in, a limited partnership, limited liability company,
27 or corporation which is the surviving entity or, in addition
28 to or in lieu of such cash, property, rights, securities, or
29 interests, may be exchanged for or converted into cash,
30 property, rights, or securities of, or interest in, a limited
31 partnership, limited liability company, or corporation other
32 than the surviving entity.

33 Sec. 2. NEW SECTION. 487.1202 PLAN OF MERGER.

34 1. Each constituent party to the merger must enter into a
35 written plan of merger, which must be approved in accordance

1 with section 487.1203.

2 2. The plan of merger must set forth all of the following:

3 a. The name of each constituent party to the merger and
4 the name of the surviving entity into which each other
5 constituent party proposes to merge.

6 b. The terms and conditions of the proposed merger.

7 c. The manner and basis of converting the interests in
8 each constituent party to the merger into interests, shares,
9 or other securities or obligations of the surviving entity, or
10 of any other entity, or, in whole or in part, into cash or
11 other property.

12 d. Such amendments to the certificate of limited
13 partnership of a limited partnership, articles of organization
14 of a limited liability company, or articles or certificate of
15 incorporation of a corporation, as the case may be, of the
16 surviving entity as are desired to be effected by the merger,
17 or that such changes are not desired.

18 e. Other provisions relating to the proposed merger as are
19 deemed necessary or desirable.

20 Sec. 3. NEW SECTION. 487.1203 ACTION ON PLAN.

21 1. A proposed plan of merger complying with the
22 requirements of section 487.1202 shall be approved in the
23 manner provided by this section:

24 a. A limited partnership which is a party to a proposed
25 merger shall have the plan of merger authorized and approved
26 in the manner and by the vote required in section 487.1201.

27 b. A limited liability company which is a party to a
28 proposed merger shall have the plan of merger authorized and
29 approved as required by chapter 490A.

30 c. A corporation which is a party to a proposed merger
31 shall have the plan of merger authorized and approved in the
32 manner and by the vote required by chapter 490.

33 2. After a merger is authorized, unless the plan of merger
34 provides otherwise, and at any time before articles of merger
35 as provided for in section 487.1204 are filed, the plan of

1 merger may be abandoned subject to any contractual rights, in
2 accordance with the procedure set forth in the plan of merger
3 or, if none is set forth, in one of the following ways:

4 a. By the limited partners of any limited partnership that
5 is a constituent party as provided in section 487.1201.

6 b. By the majority consent of the members of each limited
7 liability company that is a constituent party, unless the
8 articles of organization or an operating agreement of such
9 limited liability company provides otherwise.

10 c. In the manner determined by the board of directors of
11 any corporation that is a constituent entity.

12 Sec. 4. NEW SECTION. 487.1204 ARTICLES OF MERGER.

13 1. After a plan of merger is approved as provided in
14 section 487.1203, the surviving entity shall deliver to the
15 secretary of state for filing articles of merger duly executed
16 by each constituent party setting forth all of the following:

17 a. The name of each constituent party.

18 b. The plan of merger.

19 c. The effective date of the merger if later than the date
20 of filing of the articles of merger.

21 d. The name of the surviving entity.

22 e. A statement that the plan of merger was duly authorized
23 and approved by each constituent party as provided in section
24 487.1203.

25 2. A merger takes effect upon the later of the effective
26 date of the filing of the articles of merger or the date set
27 forth in the plan of merger.

28 Sec. 5. NEW SECTION. 487.1205 EFFECT OF MERGER.

29 When a merger takes effect all of the following apply:

30 1. Every other constituent party merges into the surviving
31 entity and the separate existence of every constituent party
32 except the surviving entity ceases.

33 2. The title to all real estate and other property owned
34 by each constituent party is vested in the surviving entity
35 without reversion or impairment.

1 3. The surviving entity has all liabilities of each
2 constituent party.

3 4. A proceeding pending against any constituent party may
4 be continued as if the merger did not occur or the surviving
5 entity may be substituted in the proceeding for the
6 constituent party whose existence ceased.

7 5. The articles or limited partnership agreement of the
8 surviving entity are amended to the extent provided in the
9 plan of merger.

10 6. The shares or interests of each constituent party that
11 are to be converted into shares, obligations, or other
12 securities of the surviving or any other entity or into cash
13 or other property are converted, and the former holders of the
14 shares or interests are entitled only to the rights provided
15 in the articles of merger except for dissenters' rights
16 provided by law.

17 7. Except as provided by agreement with a person to whom a
18 general partner of a limited partnership is obligated, a
19 merger of a limited partnership that has become effective
20 shall not affect any obligation of liability existing at the
21 time of such merger of a general partner of a limited
22 partnership which is merging.

23 8. If a limited partnership is a constituent party to a
24 merger that becomes effective, but the limited partnership is
25 not the surviving entity of the merger, a judgment creditor of
26 a general partner of such limited partnership may not levy on
27 a claim against the surviving entity of the merger unless any
28 of the following applies:

29 a. A judgment based on the same claim has been obtained
30 against the surviving entity of the merger and a writ of
31 execution on the judgment is returned unsatisfied in whole or
32 in part.

33 b. The surviving entity of the merger is a debtor in
34 bankruptcy.

35 c. The general partner agrees that the creditor need not

1 merger with respect to the assets and liabilities of the
2 parties to the merger and the surviving entity.

3 New Code section 487.1206 establishes the manner in which a
4 limited partnership may merge with a foreign entity.

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SENATE FILE 2399

AN ACT
PROVIDING FOR THE MERGER OF A LIMITED PARTNERSHIP WITH
OTHER BUSINESS ENTITIES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. NEW SECTION. 487.1201 MERGER.

1. Any one or more limited partnerships may merge with or into any one or more limited partnerships, limited liability companies, or corporations, provided that no limited partner of a limited partnership that is a party to the merger will, as a result of the merger, become personally liable for the liabilities or obligations of any other person or entity unless that limited partner approves the plan of merger or otherwise consents to becoming personally liable.

2. Unless otherwise provided in the partnership agreement, each domestic limited partnership which is to merge must approve the merger by approval of all general partners, and by limited partners who own more than fifty percent of the then current percentage or other interest in the profits of the domestic limited partnership owned by all of the limited partners. If more than one class or group of limited partners

exists, the merger must be approved by the limited partners in each class or group who own more than fifty percent of the then current percentage or other interest in the profits of the domestic limited partnership owned by all of the limited partners of such class or group.

3. In connection with a merger under this section, rights or securities of, or interests in, a limited partnership, limited liability company, or corporation which is a constituent party to the merger may be exchanged for or converted into cash, property, rights, or securities of, or interest in, a limited partnership, limited liability company, or corporation which is the surviving entity or, in addition to or in lieu of such cash, property, rights, securities, or interests, may be exchanged for or converted into cash, property, rights, or securities of, or interest in, a limited partnership, limited liability company, or corporation other than the surviving entity.

Sec. 2. NEW SECTION. 487.1202 PLAN OF MERGER.

1. Each constituent party to the merger must enter into a written plan of merger, which must be approved in accordance with section 487.1203.

2. The plan of merger must set forth all of the following:

- a. The name of each constituent party to the merger and the name of the surviving entity into which each other constituent party proposes to merge.

- b. The terms and conditions of the proposed merger.
- c. The manner and basis of converting the interests in each constituent party to the merger into interests, shares, or other securities or obligations of the surviving entity, or of any other entity, or, in whole or in part, into cash or other property.

- d. Such amendments to the certificate of limited partnership of a limited partnership, articles of organization of a limited liability company, or articles or certificate of incorporation of a corporation, as the case may be, of the

surviving entity as are desired to be effected by the merger, or that such changes are not desired.

e. Other provisions relating to the proposed merger as are deemed necessary or desirable.

Sec. 3. NEW SECTION. 487.1203 ACTION ON PLAN.

1. A proposed plan of merger complying with the requirements of section 487.1202 shall be approved in the manner provided by this section:

a. A limited partnership which is a party to a proposed merger shall have the plan of merger authorized and approved in the manner and by the vote required in section 487.1201.

b. A limited liability company which is a party to a proposed merger shall have the plan of merger authorized and approved as required by chapter 490A.

c. A corporation which is a party to a proposed merger shall have the plan of merger authorized and approved in the manner and by the vote required by chapter 490.

2. After a merger is authorized, unless the plan of merger provides otherwise, and at any time before articles of merger as provided for in section 487.1204 are filed, the plan of merger may be abandoned subject to any contractual rights, in accordance with the procedure set forth in the plan of merger or, if none is set forth, in one of the following ways:

a. By the limited partners of any limited partnership that is a constituent party as provided in section 487.1201.

b. By the majority consent of the members of each limited liability company that is a constituent party, unless the articles of organization or an operating agreement of such limited liability company provides otherwise.

c. In the manner determined by the board of directors of any corporation that is a constituent entity.

Sec. 4. NEW SECTION. 487.1204 ARTICLES OF MERGER.

1. After a plan of merger is approved as provided in section 487.1203, the surviving entity shall deliver to the secretary of state for filing articles of merger duly executed by each constituent party setting forth all of the following:

a. The name of each constituent party.

b. The plan of merger.

c. The effective date of the merger if later than the date of filing of the articles of merger.

d. The name of the surviving entity.

e. A statement that the plan of merger was duly authorized and approved by each constituent party as provided in section 487.1203.

2. A merger takes effect upon the later of the effective date of the filing of the articles of merger or the date set forth in the plan of merger.

Sec. 5. NEW SECTION. 487.1205 EFFECT OF MERGER.

When a merger takes effect all of the following apply:

1. Every other constituent party merges into the surviving entity and the separate existence of every constituent party except the surviving entity ceases.

2. The title to all real estate and other property owned by each constituent party is vested in the surviving entity without reversion or impairment.

3. The surviving entity has all liabilities of each constituent party.

4. A proceeding pending against any constituent party may be continued as if the merger did not occur or the surviving entity may be substituted in the proceeding for the constituent party whose existence ceased.

5. The articles or limited partnership agreement of the surviving entity are amended to the extent provided in the plan of merger.

6. The shares or interests of each constituent party that are to be converted into shares, obligations, or other securities of the surviving or any other entity or into cash or other property are converted, and the former holders of the shares or interests are entitled only to the rights provided in the articles of merger except for dissenters' rights provided by law.

7. Except as provided by agreement with a person to whom a general partner of a limited partnership is obligated, a merger of a limited partnership that has become effective shall not affect any obligation of liability existing at the time of such merger of a general partner of a limited partnership which is merging.

8. If a limited partnership is a constituent party to a merger that becomes effective, but the limited partnership is not the surviving entity of the merger, a judgment creditor of a general partner of such limited partnership may not levy execution against the assets of the general partner to satisfy a judgment based on a claim against the surviving entity of the merger unless any of the following applies:

- a. A judgment based on the same claim has been obtained against the surviving entity of the merger and a writ of execution on the judgment is returned unsatisfied in whole or in part.
- b. The surviving entity of the merger is a debtor in bankruptcy.
- c. The general partner agrees that the creditor need not exhaust the assets of the limited partnership that was not the surviving entity of the merger.
- d. The general partner agrees that the creditor need not exhaust the assets of the surviving entity of the merger.
- e. A court grants permission to the judgment creditor to levy execution against the assets of the general partner based on a finding that the assets of the surviving entity of the merger that are subject to execution are clearly insufficient to satisfy the judgment, that exhaustion of the assets of the surviving entity of the merger is excessively burdensome, or that the grant of permission is an appropriate exercise of the court's equitable powers.
- f. Liability is imposed on the general partner by law or contract independent of the existence of the surviving entity of the merger.

Sec. 6. NEW SECTION. 487.1206 MERGER WITH FOREIGN ENTITY.

1. Any one or more limited partnerships of this state may merge with or into one or more foreign limited partnerships, foreign limited liability companies, or foreign corporations, or any one or more foreign limited partnerships, foreign limited liability companies, or foreign corporations may merge with or into any one or more limited partnerships of this state, if all of the following apply:

- a. The merger is permitted by the law of the state or jurisdiction under whose law each foreign constituent party is organized or formed and each foreign constituent party complies with that law in effecting the merger.

- b. The foreign constituent party complies with section 487.1204 if it is the surviving entity.

- c. Each domestic constituent party complies with the applicable provisions of sections 487.1202 and 487.1203 and, if it is the surviving entity, with section 487.1204.

2. Upon a merger involving one or more domestic limited partnerships taking effect, if the surviving entity is to be governed by the law of any state other than this state or of any foreign country, the surviving entity shall agree to both of the following:

- a. That it may be served with process in this state in any proceeding for enforcement of any obligation of any constituent party to the merger that was organized under the law of this state, as well as for enforcement of any obligation of the surviving entity arising from the merger.

- b. To irrevocably appoint the secretary of state as its agent for service of process in any such proceeding, and the surviving entity shall specify the address to which a copy of the process shall be mailed to it by the secretary of state.

3. The effect of the merger shall be as provided in section 487.1205, if the surviving entity is to be governed by the law of this state. If the surviving entity is to be

governed by the law of any jurisdiction other than this state, the effect of the merger shall be the same as provided in section 487.1205, except insofar as the law of the other jurisdiction provides otherwise.

MARY E. KRAMER
President of the Senate

RON J. CORBETT
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2399, Seventy-seventh General Assembly.

MARY PAT GUNDERSON
Secretary of the Senate

Approved 4/15, 1998

TERRY E. BRANSTAD
Governor

SF 2399