

CHAPTER 122  
GIFTS OR GRANTS TO NONPROFIT CORPORATIONS

S. F. 438

AN ACT relating to the retention of the corporate existence of merged or consolidated nonprofit corporations for the purpose of receiving property by devise, bequest, gift or grant.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section five hundred four A point forty-four (504A.44), Code 1979, is amended to read as follows:

504A.44 EFFECT OF MERGER OR CONSOLIDATION. Upon the issuance of the certificate of merger or the certificate of consolidation by the secretary of state, the merger or consolidation shall be effected.

When such merger or consolidation has been effected:

1. The several corporations parties to the plan of merger or consolidation shall be a single corporation, which, in the case of a merger, shall be that corporation designated in the plan of merger as the surviving corporation, and, in the case of consolidation, shall be the new corporation provided for in the plan of consolidation.

2. The separate existence of all corporations parties to the plan of merger or consolidation, except the surviving or new corporation, shall cease except as provided for in subsection five (5) of this section.

3. Such surviving or new corporation, if to exist under the laws of this state, shall have all the rights, privileges, immunities and powers and shall be subject to all the duties and liabilities of a corporation organized under this chapter.

4. Such surviving or new corporation shall thereupon and thereafter possess all the rights, privileges, immunities, and franchises, as well of a public as of a private nature, of each of the merging or consolidating corporations; and all property, real, personal and mixed, and all debts due on whatever account, and all other choses in action, and all and every other interest, of or belonging to or due to each of the corporations so merged or consolidated, shall be taken and deemed to be transferred to and vested in such single corporation without further act or deed; and the title to any real estate, or any interest therein, vested in any of such corporations shall not revert or be in any way impaired by reason of such merger or consolidation.

5. A devise, bequest, gift or grant contained in a will or other instrument, made before or after the merger or consolidation, to or for the benefit of any of the merging or consolidating corporations, shall inure to the benefit of the surviving or new corporation. So far as is necessary for that purpose, the existence of each merging or consolidating corporation shall be deemed to continue in and through the surviving or new corporation.

5 6. Such surviving or new corporation shall thenceforth be responsible and liable for all the liabilities and obligations of each of the corporations so merged or consolidated; and any claim existing or action or proceeding pending by or against any of such corporations may be prosecuted as if such merger or consolidation had not taken place, or such surviving or new corporation may be substituted in its place. Neither the rights of creditors nor any liens upon the property of any such corporation shall be impaired by such merger or consolidation.

6 7. In the case of a merger, the articles of incorporation of the surviving corporation shall be deemed to be amended to the extent, if any, that changes in its articles of incorporation are stated in the plan of merger; and, in the case of consolidation, the statements set forth in the articles of consolidation and which are required or permitted to be set forth in the articles of incorporation of corporations organized under this chapter shall be deemed to be the original articles of incorporation of the new corporation.

Approved May 8, 1979

## CHAPTER 123

### CAPITAL AND SURPLUS OF INSURANCE COMPANIES

H. F. 455

AN ACT relating to the amount of capital and surplus required for insurance companies to transact business in Iowa.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section five hundred eight point five (508.5), Code 1979, is amended to read as follows:

508.5 CAPITAL AND SURPLUS REQUIRED. ~~No~~ A stock life insurance company shall not be authorized to transact business under the provisions of this chapter with less than ~~three--hundred--fifty--thousand~~ one million dollars capital stock fully paid for in cash and ~~four-hundred-thousand~~ one million dollars of surplus paid in in cash or invested as provided by law. The stock shall be divided into shares of not less than one dollar par value each. ~~Nothing--herein--contained--shall--affect--companies--now--authorized--to--transact--business--under--the--provisions--of--this--chapter--~~

Sec. 2. Section five hundred eight point nine (508.9), Code 1979, is amended to read as follows:

508.9 MUTUAL COMPANIES--CONDITIONS. Level premium and natural premium life insurance companies organized under the laws of this state upon the mutual plan shall, before issuing any policies, have actual applications on at least two hundred and fifty lives for an average amount of one thousand dollars each, ~~a list of which,~~ A list of the applications giving the name,