

5-629. EFFECT OF CONSOLIDATION OR MERGER.

(A) IN GENERAL.

CONSUMMATION OF A CONSOLIDATION OR MERGER HAS THE EFFECTS PROVIDED IN THIS SECTION.

(B) CESSATION OF SEPARATE EXISTENCE.

THE SEPARATE EXISTENCE OF EACH COOPERATIVE PARTY TO THE ARTICLES OF CONSOLIDATION OR MERGER, EXCEPT THE SUCCESSOR, CEASES.

(C) ARTICLES OF INCORPORATION OF SUCCESSOR.

(1) IN A CONSOLIDATION, THE ARTICLES OF CONSOLIDATION SHALL BE DEEMED TO BE THE ARTICLES OF INCORPORATION OF THE SUCCESSOR.

(2) IN A MERGER, THE ARTICLES OF INCORPORATION OF THE SUCCESSOR SHALL BE DEEMED TO BE AMENDED TO THE EXTENT THAT CHANGES TO THE ARTICLES OF INCORPORATION ARE PROVIDED FOR IN THE ARTICLES OF MERGER.

(D) TRANSFER OF RIGHTS, PRIVILEGES, IMMUNITIES, AND ASSETS.

THE RIGHTS, PRIVILEGES, IMMUNITIES, AND ASSETS, INCLUDING APPLICATIONS FOR MEMBERSHIP, OF EACH OF THE CONSOLIDATING OR MERGING COOPERATIVES TRANSFER TO AND VEST IN THE SUCCESSOR WITHOUT FURTHER ACT OR DEED.

(E) LIABILITY FOR DEBTS, OBLIGATIONS, AND LIABILITIES.

(1) THE SUCCESSOR IS LIABLE FOR ALL THE DEBTS, OBLIGATIONS, AND LIABILITIES OF EACH CONSOLIDATING OR MERGING COOPERATIVE.

(2) AN EXISTING CLAIM, ACTION, OR PROCEEDING PENDING BY OR AGAINST A CONSOLIDATING OR MERGING COOPERATIVE MAY BE PROSECUTED TO JUDGMENT AS IF THE CONSOLIDATION OR MERGER HAD NOT TAKEN PLACE, OR, ON MOTION OF THE SUCCESSOR OR ANY PARTY, THE SUCCESSOR MAY BE SUBSTITUTED AS A PARTY AND A JUDGMENT AGAINST THE CONSOLIDATING OR MERGING COOPERATIVE CONSTITUTES A LIEN ON THE PROPERTY OF THE SUCCESSOR.

(F) RIGHTS OF CREDITORS AND LIENS ON PROPERTY.

A CONSOLIDATION OR MERGER DOES NOT IMPAIR THE RIGHTS OF CREDITORS OR ANY LIEN ON THE PROPERTY OF A COOPERATIVE PARTY TO THE ARTICLES OF CONSOLIDATION OR MERGER.

DRAFTER'S NOTE: Subsection (a) of this section is new language added for clarity and stylistic consistency with similar provisions of the Maryland General Corporation Law. *See, e.g.,* §§ 3-114(a) and 3-115(a) of this article.

Subsections (b) through (f) of this section are new language derived without substantive change from former Ch. 179, § 19, Acts of 1976, as amended by Ch. 604, Acts of 2001.