

16-10a-1406 Disposition of known claims by notification.

- (1) A dissolved corporation may dispose of the known claims against it by following the procedures described in this section.
- (2) A dissolved corporation electing to dispose of known claims pursuant to this section may give written notice of the dissolution to known claimants at any time after the effective date of the dissolution. The written notice shall:
 - (a) describe the information that must be included in a claim;
 - (b) provide an address to which written notice of any claim must be given to the corporation;
 - (c) state the deadline, which may not be fewer than 120 days after the effective date of the notice, by which the dissolved corporation must receive the claim; and
 - (d) state that unless sooner barred by any other state statute limiting actions, the claim will be barred if not received by the deadline.
- (3) Unless sooner barred by any other statute limiting actions, a claim against the dissolved corporation is barred if:
 - (a) a claimant was given notice under Subsection (2) and the claim is not received by the dissolved corporation by the deadline; or
 - (b) the dissolved corporation delivers to the claimant written notice of rejection of the claim within 90 days after receipt of the claim and the claimant whose claim was rejected by the dissolved corporation does not commence a proceeding to enforce the claim within 90 days after the effective date of the rejection notice.
- (4) Claims which are not rejected by the dissolved corporation in writing within 90 days after receipt of the claim by the dissolved corporation shall be considered accepted.
- (5) The failure of the dissolved corporation to give notice to any known claimant pursuant to Subsection (2) does not affect the disposition under this section of any claim held by any other known claimant.
- (6) For purposes of this section, "claim" does not include a contingent liability or a claim based on an event occurring after the effective date of dissolution.

Amended by Chapter 378, 2010 General Session