

78B-4-606 Adjustment.

- (1) Subject to Subsections (2) through (4), the fair market value of total gross assets at the time of the merger or consolidation shall increase annually at a rate equal to the sum of:
 - (a) the prime rate as listed in the first edition of the Wall Street Journal published for each calendar year since the merger or consolidation, unless the prime rate is not published in that edition of the Wall Street Journal, in which case any reasonable determination of the prime rate on the first day of the calendar year may be used; and
 - (b) 1%.
- (2) The rate found in Subsection (1) may not be compounded.
- (3) The adjustment of the fair market value of total gross assets shall continue as provided in Subsection (1) until the date the adjusted value is first exceeded by the cumulative amounts of successor asbestos-related liability paid or committed to be paid by or on behalf of the successor corporation or a predecessor or by or on behalf of a transferor after the time of the merger or consolidation for which the fair market value of total gross assets is determined.
- (4) An adjustment of the fair market value of total gross assets may not be applied to any liability insurance that may be included in the definition of total gross assets by Subsection 78B-4-605(3).

Enacted by Chapter 237, 2012 General Session