

shall be fixed, within the limits prescribed by law for such corporations, and the par value of the shares and number of shares into which the capital stock is to be divided shall also be determined. The members, policy holders or certificate holders of such corporation shall have the first right to subscribe to said stock, subject to such equitable regulations as the directors may prescribe, but all subscriptions for shares of stock must be made and paid for in cash and at a price not less than par. Upon the completion of its reorganization as a stock company the assets, if any, of such corporation and its liabilities shall be and become the assets and liabilities of the stock company, except so far as herein otherwise provided. Said company, however, shall not be entitled to do any business as a stock corporation, until the amount of capital stock, determined as herein provided and as authorized by law, shall have been subscribed and paid for at not less than par and in accordance with the laws governing the formation of corporations, and shall have been invested in an amount equal to the par value of such stock in securities mentioned and authorized by Section 20, and deposited with the Insurance Commissioner to guarantee the payment of policies issued by said company, and until the Commissioner shall, upon request, value the assets of the said company, and its outstanding policies, and shall give his certificate that the admitted assets of said company are sufficient to provide reserve upon all outstanding policies as required by the laws of this State in relation to insurance companies, over and above all bona fide debts and claims against it, exclusive of its capital stock liability. Upon the receipt of such certificate from the Insurance Commissioner, the stockholders may elect from among themselves not less than five or more than twenty-five directors to hold office until the ensuing annual meeting or until their successors shall have been duly elected and shall qualify, and the directors so elected shall have, and they are hereby authorized, to exercise all the rights and powers proper to be exercised by the directors of such stock company under the laws of this State.

The Insurance Commissioner upon request, and upon payment to him at the usual rates of the cost of such work, shall ascertain and certify the proportionate interest in the assets of the mutual corporation before its reorganization as a stock company, of each of the members of the mutual company who may refuse to assent to the change of said company into a stock company; but the interest of no member so dissenting shall be valued at more than the full legal reserve upon his policy as prescribed by law, at the time of the reorganization of the corporation as a stock company, and the amount of the interest of each such dissenting member or policyholder shall be paid over to him, and upon the payment or tender to him of the amount of interest so ascertained and certified, the membership of each such dissenting member or policy holder shall cease and determine; and the remainder of the assets in excess of the sum required for the compensation of dissenting members or policy holders as aforesaid, may be deposited with the Treasurer of Maryland or the Insurance Commissioner under the provisions of Sections 19 and 20 of this article, as a guarantee for the payment of the policies issued by said company. Any surplus that may be found to exist in the assets of such corporation over