

Such agreement, executed under corporate seal by officers of the company authorized for the purpose, and with evidence of its adoption shall be submitted to the Commissioner. If it appears that the requirements of this section have been complied with, the Commissioner shall so certify and approve the agreement by his endorsement thereon. One of the duplicates shall thereupon be filed in his office and the other duplicate shall be delivered to the continuing company.

(b) One or more domestic mutual insurance companies may merge or consolidate under the laws of any state of the United States with a foreign mutual insurance company or companies and form a surviving company or a new company under the laws of one of the foreign states in which one of the parties may have its domicile. Each domestic company shall follow the procedure prescribed in subsection (a) of this Act. All of the parties to such agreement shall not be required to be licensed in this State at the time of the merger or consolidation if application for license shall have been filed on behalf of the surviving company, signed by all parties to the agreement, provided that in the opinion of the Commissioner the surviving or new company shall meet the tests of solvency and shall have complied or agreed to comply with the laws of this State pertaining to the admission and authorization of foreign companies.

The procedure required of a foreign company shall be that which is prescribed by the state of its domicile with respect to a merger or consolidation and the Commissioner shall require the certificate of the official having supervision over the business of insurance in the state of domicile of each party, respectively, to the agreement that each party domiciled in such state has complied with the laws of its state of domicile with respect to merger or consolidation.

(c) The agreement of merger or consolidation shall either state the time when it shall be effective, if the said effective date be subsequent to the date of approval by the Commissioner, otherwise the agreement shall be effective as of the date on which the last certificate of approval is executed by the insurance supervising official of the state of domicile of any of the parties to the agreement.

In the event of a merger or consolidation, the following conditions shall apply:

(1) The surviving company or new company may require the return of the original policies held by each policyholder in each of the companies merged or consolidated and issue in lieu thereof new policies as the policyholders may be entitled to receive.

(2) Upon such merger or consolidation, all rights and properties of the parties to the agreement shall accrue to and become the rights and properties of the surviving company or new company, which surviving or new company shall succeed to and assume all the obligations and liabilities of the merged or consolidated companies in the same manner as if incurred or contracted by the surviving or new company.

(3) The policyholders of the merged or consolidated companies shall continue to be subject to all the liabilities, claims and demands existing against them at or before such merger or consolidation. No action or proceeding pending at the time of the merger or consolidation to which any of the companies merged or consolidated may be