

(b) An order to show cause why a receiver, conservator, rehabilitator or liquidator of the insurer should not be appointed is issued while his policy is in force or within three years after its termination.

#### **297. Aggregate Liability.**

No one policy or subscriber as to such policy, shall be assessed or charged with an aggregate of contingent liability as to obligations incurred by a domestic reciprocal insurer in any one calendar year, in excess of the amount provided for in the power of attorney or in the subscribers' agreement, computed solely upon premium earned on such policy during that year.

#### **298. Nonassessable Policies.**

(a) If a reciprocal insurer has a surplus of assets over all liabilities at least equal to the minimum capital stock and surplus required of a domestic stock insurer authorized to engage in like kinds of insurance business, upon application of the attorney and as approved by the subscribers' advisory committee the Commissioner shall issue his certificate authorizing the insurer to extinguish the contingent liability of subscribers under its policies then in force in this State, and to omit provisions imposing contingent liability in all policies delivered or issued for delivery in this State for so long as all such surplus remains unimpaired.

(b) Upon impairment of such surplus, the Commissioner shall forthwith revoke the certificate. Such revocation shall not render subject to contingent liability any policy then in force and for the remainder of the period for which the premium has theretofore been paid; but after such revocation no policy shall be issued or renewed without providing for contingent assessment liability of the subscriber.

(c) The Commissioner shall not authorize a domestic reciprocal insurer so to extinguish the contingent liability of any of its subscribers or in any of its policies to be issued, unless it qualifies to and does extinguish such liability of all its subscribers and in all such policies for all kinds of insurance transacted by it. Except, that if required by the laws of another state in which the insurer is transacting insurance as an authorized insurer, the insurer may issue policies providing for the contingent liability of such of its subscribers as may acquire such policies in such state, and need not extinguish the contingent liability applicable to policies theretofore in force in such state.

#### **299. Dividends on Policies.**

From time to time the attorney for the subscribers of any such reciprocal insurer, under the provisions of this section, may fix and determine savings to be paid to each subscriber or policyholder on participating policies or contracts from the earned surplus of such reciprocal insurer, and when fixed shall establish an adequate surplus from which such savings are to be paid. No such savings shall be fixed or paid if by the payment thereof the minimum surplus or other required surplus of such reciprocal insurer will be impaired. In fixing or paying any such savings the attorney for the subscribers of such reciprocal insurer may make reasonable classifica-