

(2) THE PAYMENT IS MADE IN ACCORDANCE WITH THE RULES AND REGULATIONS OF THE BOARD OF COMMISSIONERS.

REVISOR'S NOTE: This subsection is new language derived without substantive change from the second sentence of present Art. 11, §161P(a).

The provisions of present §161P(a) which relate to one class of share or stock and to the prohibition against a fixed rate appear in §6-212 of the Corporations and Associations Article.

(E) DIVIDENDS ON GUARANTY STOCK.

GUARANTY STOCK IS ENTITLED TO PAYMENTS OF DIVIDENDS ONLY AFTER DIVIDENDS ON EVERY FREE-SHARE ACCOUNT ARE DECLARED AND PAID AT A RATE OF NOT LESS THAN 2 PERCENT AND NOT MORE THAN 3.5 PERCENT IN ACCORDANCE WITH THE RULES AND REGULATIONS OF THE BOARD OF COMMISSIONERS.

REVISOR'S NOTE: This subsection is new language derived without substantive change from the second clause of present Art. 11, §161P(c) (4).

The provisions of present §161P(c) which relate to the nature of guaranty stock, in general, appear in §6-215 of the Corporations and Associations Article.

SECTION 5. AND BE IT FURTHER ENACTED, That new Sections 249, 250, and 310 be and they are hereby added to Article 48A - Insurance Code of the Annotated Code of Maryland (1972 Replacement Volume and 1974 Supplement), to read as follows:

Article 48A - Insurance Code

249. FORMATION AND ORGANIZATION.

THE FORMATION AND ORGANIZATION OF A DOMESTIC INSURER SHALL BE GOVERNED IN ACCORDANCE WITH THE PROVISIONS OF TITLE 6, SUBTITLE 5 OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE.

250. APPLICABILITY OF CORPORATIONS AND ASSOCIATIONS ARTICLE.

IN ADDITION TO THE PROVISIONS OF THIS ARTICLE, EVERY DOMESTIC INSURER HAS THE POWERS UNDER AND IS SUBJECT TO