

policyholder] POLICYHOLDERS of the insurer within three years prior to the date such plan was submitted to the Commissioner;

(5) The plan gives to each policyholder of the insurer as specified in paragraph (4) of this subsection, a preemptive right to acquire his proportionate part of all of the proposed capital stock of the insurer, within a designated reasonable period, and to apply upon the purchase thereof the amount of his equity in the insurer as determined under paragraph (3) of this subsection;

(6) Shares are so offered to policyholders at a price not greater than to be thereafter offered to others, but at not more than double the par value of such shares;

(7) The plan provides for payment to each policyholder not electing to apply his equity in the insurer for or upon the purchase price of stock to which preemptively entitled, of cash in the amount of not less than fifty percent (50%) of the amount of his equity not so used for the purchase of stock, and which cash payment together with stock so purchased, if any, shall constitute full payment and discharge of the policyholder's equity as an owner of such mutual insurer; and

(8) The plan, when completed, would provide for the converted insurer paid-in capital stock in an amount not less than the minimum paid-in capital required of a domestic stock insurer transacting like kinds of insurance, together with surplus funds in AN amount not less than one hundred (100) percent of such required capital.

DRAFTER'S NOTE:

Error: Incorrect word usage and omitted word in Article 48A, § 270(b).

Occurred: Ch. 553, Acts of 1963.

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(b) Any such society or association described in [subsection (a)(3) or subsection (a)(4)] SUBSECTION (A)(3) OR (4) of this section[, above,] which provides for death or disability benefits for which benefit certificates are issued, and any society or association included in [paragraph (4)] SUBSECTION (A)(4) which has more than one thousand (1,000) members, shall not be exempted from the provisions of this [subsubtitle] SUBTITLE, but shall comply with all THE requirements [thereof] OF THIS SUBTITLE.

DRAFTER'S NOTE: