

(E) TIME OF NOTICE.

THE INSURER SHALL NOTIFY THE COMMISSIONER UNDER SUBSECTION (D) OF THIS SECTION AT LEAST 30 DAYS BEFORE THE EXTRAORDINARY DIVIDEND IS TO BE PAID OR THE EXTRAORDINARY DISTRIBUTION IS TO BE MADE.

(F) PAYMENT AUTHORIZED.

THE INSURER MAY PAY AN EXTRAORDINARY DIVIDEND OR MAKE AN EXTRAORDINARY DISTRIBUTION TO ITS SHAREHOLDERS ONLY IF, WITHIN 30 DAYS AFTER THE COMMISSIONER RECEIVES THE NOTICE, THE COMMISSIONER EITHER APPROVES THE PAYMENT OR DISTRIBUTION, OR DOES NOT DISAPPROVE THE PAYMENT OR DISTRIBUTION.

(G) CONDITIONAL DECLARATIONS.

(1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, AN INSURER SUBJECT TO REGISTRATION UNDER SUBTITLE 6 OF THIS TITLE MAY DECLARE AN EXTRAORDINARY DIVIDEND OR EXTRAORDINARY DISTRIBUTION CONDITIONED ON THE COMMISSIONER'S APPROVAL.

(2) A CONDITIONAL DECLARATION CONFERS NO RIGHTS ON SHAREHOLDERS UNLESS, WITHIN 30 DAYS AFTER THE COMMISSIONER RECEIVES THE NOTICE UNDER SUBSECTION (D) OF THIS SECTION, THE COMMISSIONER EITHER APPROVES THE PAYMENT OR DISTRIBUTION, OR DOES NOT DISAPPROVE THE PAYMENT OR DISTRIBUTION.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 497(a) through (c).

In the introductory language of subsection (b) and subsection (c)(2) of this section, the references to "determining whether an extraordinary dividend or extraordinary distribution exists" are added to clarify the purpose of the calculations under those subsections.

In subsection (b)(2)(ii) of this section, the former parenthetical "(Article 48A, Subtitle 36 of the Code)" is deleted as surplusage.

In subsection (c)(2) of this section, the reference to "an insurer described in paragraph (1) of this subsection" is added for clarity.

In subsection (c)(2)(ii)2 of this section, the reference to an insurer "other than a life insurer" is substituted for the former reference to an insurer that is "not a life insurer" for consistency.

Subsections (d) and (e) of this section are rephrased to state expressly that which only was implied in the former law, *i.e.*, that an insurer must notify the Commissioner 30 days before paying an extraordinary dividend or making an extraordinary distribution to its shareholders.

In subsections (d), (e), and (f) of this section, references to "extraordinary distributions" are added for consistency.