

Also in subsection (a) of this section, the reference to "duties" of a corporation is substituted for the former reference to "obligations imposed on" a corporation to conform to the terminology used in other revised articles to refer to statutorily imposed requirements. See, e.g., BR §§ 8-214 and 11-214.

Also in subsection (b) of this section, the date "December 31, 1963", which is the effective date of Chapter 553 of the Laws of 1963, is substituted for the former erroneous reference to "June 1, 1963".

Defined term: "Domestic insurer" § 1-101

### 3-103. FORMATION OF DOMESTIC INSURERS.

#### (A) IN GENERAL.

A DOMESTIC INSURER MAY BE FORMED FOR INSURANCE PURPOSES UNDER TITLE 2 OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE.

#### (B) MUTUAL INSURERS AND STOCK INSURERS.

A DOMESTIC INSURER MAY BE FORMED EITHER AS A MUTUAL INSURER OR STOCK INSURER, AS STATED IN ITS ARTICLES OF INCORPORATION.

#### (C) MEMBERS OF MUTUAL INSURER.

(1) EACH POLICYHOLDER OF A DOMESTIC MUTUAL INSURER, OTHER THAN A HOLDER OF A REINSURANCE CONTRACT, IS A MEMBER OF THE MUTUAL INSURER, WITH EACH RIGHT AND OBLIGATION OF MEMBERSHIP.

(2) EACH POLICY SHALL STATE THE PROVISIONS OF PARAGRAPH (1) OF THIS SUBSECTION.

(3) ANY PERSON, GOVERNMENT, GOVERNMENTAL UNIT, STATE, OR POLITICAL SUBDIVISION MAY BE A MEMBER OF A DOMESTIC, FOREIGN, OR ALIEN MUTUAL INSURER.

(4) AN OFFICER, STOCKHOLDER, TRUSTEE, OR LEGAL REPRESENTATIVE OF A MEMBER:

(I) MAY BE RECOGNIZED AS ACTING IN A REPRESENTATIVE CAPACITY FOR OR ON BEHALF OF THE MEMBER FOR THE PURPOSE OF THE MEMBERSHIP; AND

(II) IS NOT PERSONALLY LIABLE ON THE INSURANCE CONTRACT FOR ACTING IN THAT REPRESENTATIVE CAPACITY.

(5) A MARYLAND CORPORATION MAY PARTICIPATE AS A MEMBER OF A MUTUAL INSURER INCIDENTALLY TO THE PURPOSE FOR WHICH THE CORPORATION IS ORGANIZED.

#### (D) VOTING BY MEMBERS OF MUTUAL INSURER.