

(1) EACH MEMBER OF A DOMESTIC MUTUAL INSURER IS ENTITLED TO ONE VOTE, OR TO THE NUMBER OF VOTES THE BYLAWS PROVIDE, BASED ON:

- (I) THE INSURANCE IN FORCE;
- (II) THE NUMBER OF POLICIES HELD; OR
- (III) THE AMOUNT OF PREMIUM PAID.

(2) ONLY THE POLICYHOLDER UNDER A GROUP POLICY IS A MEMBER OF THE MUTUAL INSURER AND IS ENTITLED TO VOTE AT THE MEETINGS OF THE MUTUAL INSURER.

(E) NUMBER OF DIRECTORS.

THE BOARD OF DIRECTORS OF A DOMESTIC INSURER SHALL HAVE AT LEAST NINE MEMBERS.

REVISOR'S NOTE: This section is new language derived without substantive change from former CA §§ 6-503, 6-506, 6-507, and 6-508.

In subsection (c)(3) of this section, the defined term "person" is substituted for former references to "individual", "public or private corporation", "board", "association", "firm", "estate", "trustee", and "fiduciary". The defined term "person" includes the entities eliminated from the enumeration.

Former Art. 48A, § 249, which provided that the formation and organization of a domestic insurer shall be governed by Title 6, Subtitle 5 of the Corporations and Associations Article, is deleted as unnecessary because the provisions of former Title 6, Subtitle 5 of the Corporations and Associations Article are revised in this subtitle.

Defined terms: "Alien insurer" § 1-101

"Domestic insurer" § 1-101

"Foreign insurer" § 1-101

"Insurance" § 1-101

"Insurance contract" § 1-101

"Mutual insurer" § 1-101

"Person" § 1-101

"Policy" § 1-101

"Premium" § 1-101

"Reinsurance" § 1-101

"State" § 1-101

"Stock insurer" § 1-101

### 3-104. APPROVAL OF ARTICLES OF INCORPORATION AND CHARTER.

(A) APPROVAL BY COMMISSIONER.

THE ARTICLES OF INCORPORATION OF EACH DOMESTIC INSURER AND ANY AMENDMENT TO ITS CHARTER MUST BE SUBMITTED TO THE COMMISSIONER FOR EXAMINATION AND APPROVAL BEFORE THEY MAY BE ACCEPTED FOR RECORD BY THE DEPARTMENT OF ASSESSMENTS AND TAXATION.