

~~(3) NOTHING CONTAINED IN THIS ARTICLE SHALL REQUIRE THE SUBORDINATION OF SUBSCRIPTION RIGHTS RECEIVED BY DIRECTORS AND OFFICERS IN THEIR CAPACITY AS ELIGIBLE MEMBERS, IF ANY.~~

~~(B) (1) THE AGGREGATE TOTAL NUMBER OF SHARES THAT MAY BE PURCHASED BY DIRECTORS AND OFFICERS OF THE MUTUAL COMPANY IN THEIR CAPACITY UNDER SUBSECTION (A) OF THIS SECTION AND IN THEIR CAPACITY AS ELIGIBLE MEMBERS UNDER § 3-403(A)(3)(I) OF THIS SUBTITLE MAY NOT EXCEED 35% OF THE TOTAL NUMBER OF SHARES TO BE ISSUED FOR A MUTUAL COMPANY IF TOTAL ASSETS OF THE MUTUAL COMPANY ARE LESS THAN \$50,000,000 OR 25% OF THE TOTAL NUMBER OF SHARES TO BE ISSUED FOR A MUTUAL COMPANY IF TOTAL ASSETS OF THE MUTUAL COMPANY ARE MORE THAN \$500,000,000.~~

~~(2) FOR MUTUAL COMPANIES WITH TOTAL ASSETS OF OR BETWEEN \$50,000,000 AND \$500,000,000, THE PERCENTAGE OF THE TOTAL NUMBER OF SHARES THAT MAY BE PURCHASED SHALL BE INTERPOLATED.~~

~~(C) (1) THE PLAN MAY ALLOCATE TO A TAX QUALIFIED EMPLOYEE BENEFIT PLAN NONTRANSFERABLE SUBSCRIPTION RIGHTS TO PURCHASE UP TO 10% OF THE CAPITAL STOCK OF THE CONVERTED STOCK COMPANY OR THE STOCK OF ANOTHER CORPORATION THAT IS PARTICIPATING IN THE CONVERSION PLAN, AS PROVIDED IN § 3-403(A)(3)(I) OF THIS SUBTITLE.~~

~~(2) A TAX QUALIFIED EMPLOYEE BENEFIT PLAN IS ENTITLED TO EXERCISE SUBSCRIPTION RIGHTS GRANTED UNDER THIS SUBSECTION REGARDLESS OF THE TOTAL NUMBER OF SHARES PURCHASED BY OTHER PERSONS.~~

~~(D) THE PLAN MAY PROVIDE FOR CREATION OF A LIQUIDATION ACCOUNT FOR THE BENEFIT OF MEMBERS IN THE EVENT OF VOLUNTARY LIQUIDATION SUBSEQUENT TO CONVERSION IN AN AMOUNT EQUAL TO THE SURPLUS OF THE MUTUAL COMPANY, EXCLUSIVE OF THE PRINCIPAL AMOUNT OF ANY SURPLUS NOTE, ON THE LAST DAY OF THE QUARTER IMMEDIATELY PRECEDING THE DATE OF ADOPTION OF THE PLAN.~~

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~~(A) THE BOARD OF DIRECTORS MAY ADOPT AN ALTERNATIVE PLAN THAT DOES NOT RELY IN WHOLE OR IN PART ON ISSUING NONTRANSFERABLE SUBSCRIPTION RIGHTS TO MEMBERS TO PURCHASE STOCK OF THE CONVERTED STOCK COMPANY IF THE COMMISSIONER FINDS THAT THE PLAN DOES NOT PREJUDICE THE INTERESTS OF THE MEMBERS, IS FAIR AND EQUITABLE, AND IS NOT INCONSISTENT WITH THE PURPOSE AND INTENT OF THIS SUBTITLE.~~

~~(B) AN ALTERNATIVE PLAN MAY:~~

~~(1) INCLUDE THE MERGER OF A DOMESTIC MUTUAL INSURER INTO A DOMESTIC OR FOREIGN STOCK INSURER;~~

~~(2) PROVIDE FOR ISSUING STOCK, CASH, OR OTHER CONSIDERATION TO POLICYHOLDERS INSTEAD OF SUBSCRIPTION RIGHTS;~~