

3-412.

~~ANY ACTION CHALLENGING THE VALIDITY OF OR ARISING OUT OF ACTS TAKEN OR PROPOSED TO BE TAKEN UNDER THIS SUBTITLE SHALL BE COMMENCED NOT LATER THAN 30 DAYS AFTER THE EFFECTIVE DATE OF THE PLAN.~~

3-413.

~~(A) (1) IF A MUTUAL COMPANY IS INSOLVENT OR, IN THE JUDGMENT OF THE COMMISSIONER, IS IN HAZARDOUS FINANCIAL CONDITION, ITS BOARD OF DIRECTORS, BY A MAJORITY VOTE, MAY REQUEST IN ITS PETITION THAT THE COMMISSIONER WAIVE THE REQUIREMENTS IMPOSING NOTICE TO AND POLICYHOLDER APPROVAL OF THE PLANNED CONVERSION.~~

~~(2) THE PETITION SHALL SPECIFY:~~

~~(1) THE METHOD AND BASIS FOR ISSUANCE OF THE CONVERTED STOCK COMPANY'S SHARES OF ITS CAPITAL STOCK TO AN INDEPENDENT PARTY IN CONNECTION WITH AN INVESTMENT BY THE INDEPENDENT PARTY IN AN AMOUNT SUFFICIENT TO RESTORE THE CONVERTED STOCK COMPANY TO SOUND FINANCIAL CONDITION; AND~~

~~(2) THAT THE CONVERSION SHALL BE ACCOMPLISHED WITHOUT CONSIDERATION TO PAST, PRESENT, OR FUTURE POLICYHOLDERS, IF THE COMMISSIONER FINDS THAT THE VALUE OF THE MUTUAL COMPANY IS INSUFFICIENT TO WARRANT CONSIDERATION.~~

~~(B) IF ON REVIEW OF THE PLAN AND AFTER A FINANCIAL EXAMINATION THE COMMISSIONER FINDS THAT THE MUTUAL COMPANY NO LONGER MEETS STATUTORY REQUIREMENTS WITH RESPECT TO CAPITAL, SURPLUS, DEPOSITS, OR ASSETS, THE COMMISSIONER BY WRITTEN ORDER MAY WAIVE THE REQUIREMENTS OF § 3-402(G) OF THIS SUBTITLE.~~

3-414.

~~THE COMMISSIONER MAY ADOPT REGULATIONS TO ENFORCE THIS SUBTITLE.~~

3-415.

~~(A) (1) IN THIS SUBSECTION, "CONTROL" HAS THE MEANING STATED IN § 7-104 OF THIS ARTICLE.~~

~~(2) IF AS A DIRECT RESULT OF A CONVERSION UNDER THIS SUBTITLE ANY PERSON OR ANY AFFILIATE OF THE CONVERTING MUTUAL COMPANY ACQUIRES CONTROL OF THE CONVERTED STOCK COMPANY, THE CONVERSION MAY NOT OCCUR UNLESS THAT PERSON OR AFFILIATE COMPLIES WITH THE PROVISIONS OF TITLE 7, SUBTITLE 3 OF THIS ARTICLE.~~

~~(B) EXCEPT AS OTHERWISE PROVIDED IN THIS ARTICLE, A STOCK COMPANY CONVERTED UNDER THIS SUBTITLE:~~

~~(1) HAS AND MAY EXERCISE ALL THE RIGHTS AND PRIVILEGES OF A STOCK INSURER;~~