

[(b)](2) A loan or advance UNDER THIS SUBSECTION and any interest on it:

[(1)](I) is payable only out of the surplus remaining after the stock insurer [or mutual insurer] provides for all reserves and other liabilities; and

[(2)](II) is not otherwise a liability or claim against the stock insurer [or mutual insurer] or any of its assets.

(B) (1) A DIRECTOR, OFFICER, OR MEMBER OF A MUTUAL INSURER OR ANY OTHER PERSON MAY LEND OR ADVANCE TO THE MUTUAL INSURER ANY MONEY NECESSARY TO ENABLE IT TO COMPLY WITH A SURPLUS REQUIREMENT OR ANY OTHER REQUIREMENT OF LAW.

(2) SUBJECT TO THE APPROVAL OF THE COMMISSIONER, A LOAN OR ADVANCE UNDER THIS SUBSECTION AND ANY INTEREST ON IT AS MAY HAVE BEEN AGREED ON IS PAYABLE ONLY OUT OF THE INSURER'S REALIZED EARNED SURPLUS IN EXCESS OF ITS MINIMUM REQUIRED SURPLUS.

(3) A LOAN OR ADVANCE UNDER THIS SUBSECTION IS NOT OTHERWISE A LIABILITY OR CLAIM AGAINST THE MUTUAL INSURER OR ANY OF ITS ASSETS.

~~(e) A commission or promotion expense may not be paid in connection with a loan or advance made under this section.~~

~~(d)~~ (C) In each annual statement, a stock insurer or mutual insurer shall report the amount of each loan or advance made under this section.

~~(e)~~ (D) If a loan or advance is made to a stock insurer or mutual insurer under a notice of deficiency made by the Commissioner under § 3-109 of this subtitle, the loan or advance may not be repaid or withdrawn without the express written consent of the Commissioner.

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(b) (1) Mutual insurers consolidating or merging to form a domestic mutual insurer under this section shall enter into a written agreement that:

(i) prescribes the terms and conditions of the consolidation or merger;

(ii) states the name of the successor mutual insurer; and

(iii) includes the successor mutual insurer's amended certificate of incorporation, which shall contain the provisions required by this article for the organization of a mutual insurer.

(2) The agreement shall be:

(i) approved by the vote of a majority of the board of directors of each mutual insurer; and

(ii) submitted to a meeting of members and approved by vote of at least two-thirds of those members of each mutual insurer who[ are present and voting at the meeting] VOTE ON THE PLAN IN PERSON, BY PROXY, OR BY MAIL.