304.27-270 Merger or conversion.

(1) A domestic reciprocal insurer upon affirmative vote of not less than two-thirds (2/3) of its subscribers who vote on such merger pursuant to due notice and the approval of the commissioner of the terms therefor, may merge with another reciprocal insurer or be converted to a stock or mutual insurer.

(2) Such a stock or mutual insurer shall be subject to the same capital or surplus requirements and shall have the same rights as a like domestic insurer transacting like kinds of insurance.

(3) The commissioner shall not approve any plan for such merger or conversion which is inequitable to subscribers, or which, if for conversion to a stock insurer, does not give each subscriber preferential right to acquire stock of the proposed insurer proportionate to his or her interest in the reciprocal insurer as determined in accordance with KRS 304.27-260 and a reasonable length of time within which to exercise such right.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 1386, effective July 15, 2010. -- Created 1970 Ky. Acts ch. 301, subtit. 27, sec. 27, effective June 18, 1970.