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§7–304.

(a) A person seeking to acquire control of a domestic insurer must file a statement with the Commissioner and provide a copy to the domestic insurer.

(b) The statement must be filed at least 60 days before a transaction subject to this subtitle is proposed to become effective.

(c) The statement required by subsection (a) of this section must contain:

(1) the name and address of each individual, by or for whom the transaction subject to this subtitle is to be made, and background information about the individual, including:

(i) the principal occupation of and all offices and positions held by the individual during the past 10 years; and

(ii) other than minor traffic offenses, crimes of which the individual has been convicted during the past 10 years;

(2) the name and address of each person that is not an individual, by or for whom the transaction subject to this subtitle is to be made, and background information about the person, including:

(i) the nature of the person's business operations and those of its predecessors during the past 10 years or any shorter period that the person and any predecessors have existed;

(ii) a description of the business that the person and its subsidiaries intend to do;

(iii) a list of the person's current directors and executive officers, individuals who have been selected to hold those positions, and individuals who perform or will perform functions appropriate to those positions; and

(iv) for each individual listed under subitem (iii) of this item:

1. the principal occupation of and all offices and positions held by the individual during the past 10 years; and

2. other than minor traffic offenses, crimes of which the individual has been convicted during the past 10 years;

(3) fully audited financial information about the earnings and financial condition of each acquiring person and any predecessor for the past 5 fiscal years or

any shorter period that each acquiring person and any predecessor have existed;

(4) similar unaudited financial information dated within 90 days before the statement is filed;

(5) (i) copies of all actual or proposed tender offers, invitations for tender, exchange offers, and agreements to acquire or exchange that relate to any security described in this subtitle;

(ii) if distributed, copies of any additional soliciting materials that relate to the actions described in subitem (i) of this item;

(6) the source and amount of the funds or other consideration for a transaction subject to this subtitle and, if a part of the funds or other consideration has been or is to be borrowed or otherwise obtained for a transaction subject to this subtitle, a description of that transaction and the names of the parties to that transaction;

(7) any plans or proposals to liquidate the domestic insurer or insurance holding company controlling a domestic insurer, sell its assets, merge it with any person, or make any other major change in its business or corporate structure or management;

(8) with regard to any security connected with a transaction subject to this subtitle:

(i) the number of shares each acquiring person proposes to acquire;

(ii) the terms of the offer, invitation, agreement, or transaction subject to this subtitle; and

(iii) a statement of the method by which the fairness of the proposal was determined;

(9) the name and address of each person and each of that person's affiliates holding the following securities, the amount held in each class of the securities, and, for the past 2 years, the dates, amounts, and prices of sales and purchases of the securities by the person or affiliate:

(i) beneficially owned voting securities of the domestic insurer;

(ii) voting securities of the domestic insurer in which there is a right to acquire beneficial ownership;

(iii) beneficially owned securities that may be converted into voting securities of the domestic insurer; and

(iv) securities in which there is a right to acquire beneficial ownership

that may be converted into voting securities of the domestic insurer;

(10) the names of the parties to and details of any contracts, arrangements, or understandings about securities of the domestic insurer or insurance holding company controlling the domestic insurer, including contracts, arrangements, or understandings providing for:

(i) transfers of the securities;

(ii) joint ventures;

(iii) loan or option arrangements;

(iv) puts or calls;

(v) loan guarantees;

(vi) guarantees against loss or guarantees of profits;

(vii) divisions of losses or profits; and

(viii) giving or withholding of proxies;

(11) a description of the purchase of any security described in this subtitle during the 12 calendar months immediately preceding the filing of the statement by an acquiring person, including:

(i) the dates of purchase;

(ii) the names of the purchasers; and

(iii) the consideration paid or agreed to be paid;

(12) a description of any recommendations to purchase any security subject to this subtitle made during the 12 calendar months immediately preceding the filing of the statement by:

(i) an acquiring person; or

(ii) any other person, based on interviews with or at the suggestion of the acquiring person;

(13) the terms of any agreements made or proposed to be made with brokers, securities dealers, service organizations, or other persons, including the amount of any fees, commissions, or other compensation to be paid, for soliciting shares for tender;

(14) an agreement by the person required to file the statement under this section that the person will provide the annual report specified in § 7–603(h) of this

title for as long as control exists;

(15) an acknowledgment by the person required to file the statement under this section that the person and all affiliates in the insurance holding company system will provide information to the Commissioner on request as necessary to evaluate enterprise risk to the insurer; and

(16) other information necessary or appropriate in the public interest or for the protection of policyholders that the Commissioner requires by regulation.

(d) (1) If the person required to file a statement under this section is a partnership, limited partnership, syndicate, or other group, the statement also shall include the information required by subsection (c) of this section for:

(i) each partner of the partnership or limited partnership;

(ii) each member of the syndicate or group; and

(iii) each person controlling a partner or member.

(2) If a person required to file the statement under this section is a corporation or if a person referred to in paragraph (1) of this subsection is a corporation, the statement also shall include the information required by subsection (c) of this section for:

(i) the corporation;

(ii) each officer and director of the corporation; and

(iii) each person that directly or indirectly is the beneficial owner of more than 10% of the outstanding voting securities of the corporation.

(3) If any material change occurs in the facts set forth in the statement filed with the Commissioner and provided to the insurer under this section, an amendment, together with copies of any documents or other materials necessary to describe the amendment, shall be filed with the Commissioner and provided to the insurer within the earlier of 2 business days after:

(i) the change occurs; or

(ii) the person that filed the statement learns of the change.

(e) A person that is required to file a statement under this section instead may file with the Commissioner, in addition to any other materials that the Commissioner requests:

(1) a registration statement filed under the Securities Act of 1933;

(2) a disclosure containing similar information filed under the Securities

Exchange Act of 1934; or

(3) a registration or disclosure that contains similar information filed under another State law.

(f) (1) Except as provided in paragraph (2) of this subsection, on request of the person filing the statement, the Commissioner may not make public the name of a lender listed under subsection (c)(6) of this section as a source of funds, unless the transaction is made in the lender's ordinary course of business.

(2) The Commissioner may make public the name of a lender under paragraph (1) of this subsection if the Commissioner considers the disclosure to be in the public interest.

(g) The Commissioner shall provide the statement filed under this section to the person to be acquired on the date the attempt to acquire is made public.

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