

## Article - Insurance

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§3-122.

(a) Except as otherwise provided in this section, the provisions of the Corporations and Associations Article on the consolidation, merger, and share exchange of stock corporations apply to the consolidations, mergers, and share exchanges of domestic stock insurers and domestic and foreign stock insurers.

(b) The articles of consolidation, merger, or share exchange of stock insurers must be submitted to the Commissioner for examination and approval before the articles may be accepted for record by the Department of Assessments and Taxation.

(c) (1) Before approval of the articles of consolidation or merger, the Commissioner shall examine and review the affairs of the stock insurers involved in the consolidation or merger as the Commissioner finds necessary or desirable.

(2) The Commissioner may hold a hearing on the proposed consolidation or merger after giving the notice that the Commissioner considers appropriate.

(d) The Commissioner shall approve the articles of consolidation or merger by written endorsement on them before they become operative if the Commissioner finds that:

(1) the articles comply with the Code; and

(2) the policyholders in the successor stock insurer are protected through adequate reserves and assets for losses and claims then anticipated.

(e) The successor stock insurer shall bear all expenses in connection with proceedings conducted by the Commissioner under this section.

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