

# An Act

ENROLLED HOUSE  
BILL NO. 3090

By: Tedford of the House

and

Coleman of the Senate

An Act relating to insurance; providing definitions; providing the effect of reorganization; stating that the converting mutual insurer becomes a converted stock insurer; requiring certain filings; directing the Insurance Commissioner to make certain amendment; describing certain conversion; clarifying membership of the mutual holding company; directing for the acquisition and retention of certain shares of stock; directing for continuation of corporate existence of converting mutual insurer; directing that certain intermediate stock holding companies be incorporated; permitting certain issuances to certain third parties; directing who shall serve as directors and officers; permitting domestic mutual insurers under certain circumstances to engage in conversion; requiring mutual insurer to make certain filings before seeking approval of plan; directing the Insurance Commissioner to approve or disapprove plan following certain procedure; permitting board to make amendments or withdraw plan; providing requirements for approval by eligible members of the converting mutual insurer; mandating that the plan shall be carried out; clarifying that certain information and documents are confidential except in certain circumstance; providing required contents of plan of reorganization of a domestic mutual insurer; directing the Insurance Commissioner to review plan of reorganization; directing the Insurance Commissioner to approve plan if certain findings are made; directing the Insurance Commissioner to gauge certain effects of merger; setting time frame for expiration of approval of plan; permitting Insurance Commissioner to retain certain experts; permitting

Insurance Commissioner to hold hearing; clarifying that a mutual holding company is not an insurer; prohibiting dissolution without certain approval; stating that Insurance Commissioner retains certain jurisdiction; clarifying that members have certain rights and obligations; prohibiting transfer of certain membership and rights; clarifying members are not personally liable; prohibiting certain assessment; clarifying assessment; clarifying membership does not constitute a security; establishing voting rights of members; directing that meetings of members be governed in same manner as domestic mutual insurer; providing required provisions for the articles of incorporation of a mutual holding company; directing that mutual holding company be party to certain rehabilitation or liquidation proceedings; permitting for concurrent reorganization of domestic mutual insurer with one or more mutual insurers; permitting certain reorganization of certain converting companies; clarifying that a mutual holding company is considered an insurer; establishing that a mutual holding company is party to certain proceedings; prohibiting certain dissolution or liquidation; permitting certain conversion; directing that the Insurance Commissioner review certain plan; permitting Insurance Commissioner to make certain requirements; permitting the retention of qualified expert; establishing Insurance Commissioner's jurisdiction over certain mutual holding companies; directing that certain mutual holding companies follow certain organization guidelines; clarifying that certain articles and amendments are subject to approval of Insurance Commissioner; clarifying that certain interests become interests in the mutual holding company; clarifying that certain members become members of the mutual holding company; establishing that certain membership interest does not constitute security; providing definitions; directing issuance of certain initial shares of capital stock; directing that mutual holding company own majority of certain voting shares of capital stock; permitting certain indirect ownership; prohibiting certain actions by mutual holding company or intermediate holding company; providing process

for certain violation; providing procedure for approved reorganization of foreign mutual insurance companies; permitting foreign mutual insurance companies to remain foreign; permitting foreign mutual insurance companies to redomesticate; providing for codification; and providing an effective date.

SUBJECT: Insurance

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 660.1 of Title 36, unless there is created a duplication in numbering, reads as follows:

As used in this act, unless the context otherwise requires:

1. "Board" means the board of directors of a converting mutual insurer;
2. "Conversion" means a process by which a domestic mutual insurer is converted to a domestic stock insurer as part of a reorganization;
3. "Converted stock insurer" means a domestic stock insurer into which a domestic mutual insurer is converted as part of a reorganization;
4. "Converting mutual insurer" means a domestic mutual insurer that is converting to a domestic stock insurer as part of a reorganization;
5. "Effective date" means, with respect to a plan, the date on which the plan or a part of the plan becomes effective as set forth in an order of the Oklahoma Insurance Commissioner;
6. "Eligible member" means a member of the converting mutual insurer whose insurance policy is in force as of the date on which the board adopts the plan of reorganization or on some other date that the plan specifies as the record date and that the Insurance Commissioner approves;

7. "Intermediate stock holding company" means a corporation that satisfies all of the following:

- a. the corporation was incorporated under Title 18 of the Oklahoma Statutes,
- b. a mutual holding company holds directly or indirectly at least a majority of the corporation's voting stock, and
- c. the corporation holds directly or indirectly at least a majority of the voting stock of a converted stock insurer;

8. "Member" means:

- a. with respect to a domestic mutual insurer, a member as described in Section 2115 of Title 36 of the Oklahoma Statutes, or
- b. with respect to a mutual holding company, any holder of one or more policies of insurance, other than a policy of reinsurance, issued by the converted stock insurer resulting from a reorganization involving the organization of a mutual holding company and, if permitted under the articles of incorporation or bylaws of the mutual holding company, may include any holder of one or more policies of insurance, other than a policy of reinsurance, issued by any other insurer that is a direct or indirect subsidiary or affiliate of the mutual holding company;

9. "Membership interest" means:

- a. with respect to a converting mutual insurer, a member of a domestic mutual insurer shall have the same character of rights and relationship as a stockholder has toward a domestic stock insurer, with respect to the management, records, and affairs of the insurer, or
- b. with respect to a mutual holding company on and after the effective date of the plan, any right that a member of the mutual holding company may hold by virtue of membership in the mutual holding company

arising under the articles of incorporation and bylaws of the mutual holding company, including the right to vote for the board;

10. "Mutual holding company" means a corporation that is formed and existing under the laws of this state and pursuant to the reorganization of a mutual insurance company;

11. "Plan" means a plan of reorganization;

12. "Reorganization" means a process by which a domestic mutual insurer is converted to a domestic stock insurer and a mutual holding company is organized; and

13. "Voting stock" means:

- a. stock of any class or any percentage ownership interest having voting power for the election of directors, trustees or management, and
- b. includes stock having voting power only by reason of the happening of a contingency.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 660.2 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. On the effective date of a plan of reorganization, all of the following occur:

1. The converting mutual insurer becomes a converted stock insurer. The amended or restated articles of incorporation and bylaws of the converting mutual insurer shall be filed with the Oklahoma Insurance Commissioner as part of the plan and shall become effective on the effective date of the conversion. The Insurance Commissioner shall amend the certificate of authority of the converting mutual insurer on the effective date of the conversion;

2. All membership interests and rights in surplus of the converting mutual insurer are extinguished and the members of the converting mutual insurer become members of the mutual holding company in accordance with this act and the articles of incorporation and bylaws of the mutual holding company;

3. Any owner of one or more policies of insurance, other than a policy of reinsurance, issued by the converted stock insurer after the effective date of the conversion and, if permitted under the articles of incorporation or bylaws of the mutual holding company, any holder of one or more policies of insurance, other than a policy of reinsurance, issued by any other insurer that is a direct or indirect subsidiary or affiliate of the mutual holding company after the effective date of the reorganization becomes a member of the mutual holding company;

4. The mutual holding company or, if created, an intermediate stock holding company acquires and shall retain all shares of the voting stock of the converted stock insurer;

5. The mutual holding company acquires and shall retain all shares of the voting stock of any intermediate stock holding company; and

6. A converted stock insurer continues the corporate existence of the converting mutual insurer. Except as provided in the plan, the conversion does not annul, modify or change any existing license or other authority or any of the existing civil actions, rights, contracts or liabilities of the converting mutual insurer. The converted stock insurer retains all property, debts and choices in action and every other interest belonging to the converting mutual insurer before the conversion without further action needed. On and after the effective date of the conversion, the converted stock insurer may exercise all rights and powers conferred and shall perform all duties imposed by law on insurers writing the classes of insurance written by the converted stock insurer, shall retain the rights and contracts of the converting mutual insurer existing immediately before the conversion and shall be subject to all obligations and liabilities of the converting mutual insurer existing immediately before the conversion, subject to the terms of the plan.

B. Any intermediate stock holding company created at the time of reorganization to hold the stock of the converting mutual insurer shall be incorporated under Title 18 of the Oklahoma Statutes and may engage in any business or activity permitted by Title 18 of the Oklahoma Statutes.

C. The converted stock insurer and any intermediate stock holding company may issue to third parties debt securities, stock

other than voting stock, and voting stock if all of the following apply:

1. No shares of stock representing a majority of the voting power of all issued and outstanding voting stock of either the converted stock insurer or the intermediate stock holding company, if any, are issued to third parties; and

2. A majority of the voting stock of the converted stock insurance company is at all times owned by the mutual holding company or by the intermediate stock holding company, a majority of whose voting stock is held by the mutual holding company, and such majority interest in the converted stock insurance company and any intermediate stock holding company is not conveyed, transferred, assigned, pledged, subjected to a security interest or lien, placed in a voting trust, encumbered or otherwise hypothecated or alienated by the mutual holding company or by the intermediate stock holding company. Any conveyance, transfer, assignment, pledge, security interest, lien, placement in a voting trust, encumbrance or hypothecation or alienation of, in or on a majority of the voting shares of the converted stock insurer or the intermediate stock holding company in violation of this paragraph is void in inverse chronological order as to the shares necessary to constitute a majority of such voting stock.

D. Unless otherwise specified in the plan, the directors and officers of the converting mutual insurer shall serve as directors and officers of the mutual holding company, any intermediate stock holding company and the converted stock insurer until new directors and officers are elected.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 660.3 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. A domestic mutual insurer may engage in a conversion as part of a reorganization as a mutual holding company, only if the board passes a resolution that the reorganization is fair and equitable to the policyholders and adopts a plan that meets the requirements of this act.

B. After the board has adopted a plan and before the board seeks approval of the plan by the eligible members of the converting mutual insurer, the converting mutual insurer shall file the following documents with the Oklahoma Insurance Commissioner:

1. The plan of reorganization;

2. The form of notice of the meeting at which the eligible members vote on the plan;

3. The form of any proxies to be solicited from the eligible members. Proxies must offer the eligible members the option of voting in favor of or voting against the plan or abstaining from voting;

4. Information required by the converting mutual insurer's bylaws; and

5. Other information or documentation required by the Commissioner.

C. The Commissioner shall approve or disapprove a plan and other documents submitted under subsection B of this section and as prescribed in Section 5 of this act. The Commissioner must approve or disapprove the plan within sixty (60) days after the Commissioner receives a completed filing of the plan and all information requested by the Commissioner or within sixty (60) days after the completion of a hearing on the plan, whichever date is later.

D. At any time before the Commissioner approves a plan, the board may amend or withdraw the plan.

E. After the Commissioner approves a plan, the eligible members of the converting mutual insurer must approve the plan. Approval by the eligible members is subject to the following requirements:

1. All eligible members must be given notice of the plan and of their opportunity to vote on the plan. A copy of the plan or a summary of the plan must accompany the notice. The notice shall be mailed to the last known address of each eligible member, as shown on the records of the converting mutual insurer, within forty-five (45) days after the Commissioner approves the plan. The meeting of the eligible members at which a vote on the plan will occur shall be set for a date that is not earlier than the thirtieth day after the date on which the mutual insurer mailed the notice of the meeting. If the converting mutual insurer complies substantially and in good faith with the notice requirements of this paragraph, the converting mutual insurer's failure to give any member or members any required



notice does not impair the validity of any action taken under this section; and

2. The vote required for approval must be conducted in accordance with the converting mutual insurer's bylaws, except as follows:

- a. only eligible members may vote on the plan,
- b. an eligible member may vote in person or by proxy at the meeting at which the plan is voted on, and
- c. the plan is approved by the eligible members on the affirmative vote of two-thirds (2/3) or more of the eligible members voting on the plan, unless the bylaws require a greater number of affirmative votes. The converting mutual insurer shall file with the Commissioner a certification that the plan of reorganization has been duly adopted by a vote of at least two-thirds (2/3) of the eligible members.

F. The plan shall be carried out in accordance with its terms on the effective date of the reorganization.

G. Except as otherwise provided in this section, all information and documents obtained by or disclosed to the Commissioner or any other person in the course of preparing, filing and processing an application to reorganize, other than information and documents distributed to policyholders or filed and submitted as evidence in connection with a public hearing held pursuant to Section 5 of this act, are confidential and not subject to subpoena and shall not be made public except to insurance departments of other states, with the prior written consent of the insurer to which such information and documents pertain.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 660.4 of Title 36, unless there is created a duplication in numbering, reads as follows:

A plan of reorganization of a domestic mutual insurer shall include all of the following:

1. A statement of the reasons for the proposed action;

2. A description of how the plan will be carried out, including any transaction included within the plan and a description of any mutual holding company, intermediate stock holding company or other corporation organized pursuant to the plan;

3. A description of all significant terms of the reorganization;

4. New or revised intercompany agreements;

5. A description of the overall effect of the plan on policies issued by the converting mutual insurer. The description must show that policyholder interests collectively are properly preserved and protected and that the plan is fair and equitable to the policyholders;

6. The record date for determining whether a member of the converting mutual insurer is an eligible member;

7. The proposed effective date of the reorganization or the manner in which the proposed effective date of the reorganization is established;

8. The proposed amendments to or restatement of the articles of incorporation and bylaws of the converting mutual insurer and the proposed articles of incorporation and bylaws of any mutual holding company, intermediate stock holding company or other corporation organized pursuant to the plan;

9. A description of any plans for the initial sale of voting stock to third parties by the converted stock insurer or any intermediate stockholding company, or a statement that the converted stock insurer or intermediate stock holding company has no current plans for the sale of voting stock;

10. The intention, if any, that a director or officer of the converting mutual insurer, mutual holding company, intermediate stock holding company or other corporation organized pursuant to the plan, within the six-month period following the effective date of the conversion or reorganization, may purchase or acquire shares of capital stock or other securities of an issuer to be issued pursuant to the plan; and

11. A provision that all policies in force on the effective date of the conversion or reorganization will remain in force under

the terms of those policies and that on the effective date of the reorganization, any voting rights of the members provided for under the policies or under this title are extinguished.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 660.5 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Insurance Commissioner shall review a plan of reorganization that is submitted to the Commissioner. On review, the Commissioner shall approve the plan if the Commissioner finds all of the following:

1. The applicable provisions of this act, and other applicable provisions of law, have been fully met;

2. The plan protects the rights of policyholders;

3. The plan is fair and equitable to the members and the plan does not prejudice the interests of the members;

4. The converted stock insurer has capital or surplus, or any combination thereof, that is required of a domestic stock insurer on initial authorization to transact like kinds of insurance, and otherwise is able to satisfy the requirements of this state for transacting its insurance business;

5. The plan does not substantially reduce the security of the policyholders and the service to be rendered to the policyholders;

6. The financial condition of the mutual holding company or any subsidiary of the mutual holding company does not jeopardize the financial stability of the converted stock insurer;

7. The financial condition of the converting mutual insurer is not jeopardized by the conversion or reorganization, and the conversion or reorganization does not jeopardize the financial stability of the mutual holding company or any subsidiary of the mutual holding company; and

8. The competence, experience and integrity of those persons who control the operation of the converted stock insurer are not contrary to the interests of policyholders of the converted stock insurer and of the public in allowing the plan to proceed.

B. To the extent the plan contains a provision that allows for the acquisition or merger of other insurance companies, the Commissioner shall gauge the effect of the merger or other acquisition of control and whether it would substantially lessen competition in the insurance industry in this state or tend to create a monopoly. The Commissioner shall not approve a plan that fails to meet this standard.

C. An approval of a plan by the Commissioner expires if the plan is not carried out within one (1) year after the date of the approval, unless the Commissioner extends the time period for good cause on written application for such extension.

D. The Commissioner may retain, at the expense of the converting mutual insurer, qualified experts not otherwise a part of the staff of the Department to assist in reviewing the plan and supplemental documents.

E. The Commissioner may hold a hearing for the purposes of receiving comments on whether a plan should be approved and on any other matter relating to the reorganization. The hearing, if held, shall be held within sixty (60) days after the Commissioner receives a completed filing of the plan and all information required by the Commissioner.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 660.6 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. A mutual holding company is not an insurer for the purposes of this act.

B. A mutual holding company may not dissolve or liquidate without approval by the Oklahoma Insurance Commissioner or unless required by judicial order. The Commissioner retains jurisdiction over a mutual holding company, any intermediate stock holding company, and any subsidiary of an intermediate stock holding company as provided in this act.

C. The members of a mutual holding company have the rights and obligations set forth in this act and in the articles of incorporation and bylaws of the mutual holding company. A member of a mutual holding company may not transfer membership in the mutual holding company or any right arising from such membership. Such limitation on the transfer of membership or rights arising from

membership does not restrict the assignment of a policy that is otherwise permissible. A member of a mutual holding company is not personally liable for the acts, debts, liabilities or obligations of the mutual holding company merely by reason of being a member. An assessment of any kind may not be imposed on a member of a mutual holding company. Any premium due under an insurance policy or contract issued to a member of a mutual holding company is not considered an assessment.

D. A membership interest in a mutual holding company does not constitute a security.

E. Each member of a mutual holding company is entitled to one vote on each matter coming before a meeting of the members and for each director to be elected regardless of the number of policies or amount of insurance and benefits held by such member. The mutual holding company's bylaws shall set forth the voting rights of the members of a mutual holding company.

F. Meetings of the members of a mutual holding company shall be governed in the same manner as if the mutual holding company were a domestic mutual insurer, including provisions governing quorum requirements, the approval of matters by the members and the election of directors by the members.

G. The articles of incorporation of a mutual holding company shall contain all the following provisions:

1. The name of the mutual holding company. The name shall include the words "mutual holding company" or "mutual insurance holding company" or other words connoting the mutual character of the mutual holding company that are approved by the Commissioner;

2. A provision specifying that the mutual holding company is not authorized to issue capital stock, whether voting or nonvoting; and

3. A provision setting forth any rights of the members of the mutual holding company on dissolution or liquidation.

H. A mutual holding company shall automatically be a party to any rehabilitation or liquidation proceeding involving the converted stock insurer that, as a result of a reorganization, is a direct or indirect subsidiary of the mutual holding company. In such a proceeding, the assets of the mutual holding company shall be

counted as assets of the estate of the converted stock insurer for the purpose of satisfying the claims of the policyholders of the converted stock insurer.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 660.7 of Title 36, unless there is created a duplication in numbering, reads as follows:

The concurrent reorganization of a domestic mutual insurer with one or more mutual insurers, domestic or foreign, into a single mutual insurance holding company, whether domestic or foreign, may be accomplished by a joint application and a joint plan of reorganization and may be approved by the Oklahoma Insurance Commissioner by complying with the requirements of this act. The Commissioner may determine that such other procedures are unnecessary to avoid duplicative costs and efforts in satisfying the requirements of this act and effectuating the reorganization.

SECTION 8. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 660.8 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. A converting company, on approval by the Oklahoma Insurance Commissioner, may reorganize by forming a holding company based on a mutual plan and continuing the corporate existence of the converting company as a stock insurance company.

B. A mutual holding company is automatically a party to an administrative proceeding under Oklahoma Statute involving an insurance company that, as a result of a reorganization under this act, is a subsidiary of the mutual holding company. In a proceeding involving the resulting company, the assets of the mutual holding company are considered assets of the resulting company for purposes of satisfying the claims of the resulting company's policyholders.

C. A mutual holding company may not dissolve or liquidate without the approval of the Commissioner.

D. A mutual holding company may convert to a stock holding company under this act as if the mutual holding company were a mutual insurance company.

SECTION 9. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 660.9 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Insurance Commissioner shall review the proposed plan of reorganization as an alternate conversion plan. The Commissioner may require as a condition of approval modifications of the proposed plan of reorganization that the Commissioner determines necessary to protect the members' interests.

B. The Commissioner may retain at the mutual insurance company's expense, a qualified expert who is not a member of the Commissioner's staff to assist the Commissioner in reviewing the conversion plan and the valuation. If the Commissioner retains a qualified expert under this subsection, the Commissioner may extend the period for decision by an additional sixty (60) days beyond the initial sixty-day period.

C. The Commissioner has jurisdiction over a mutual holding company organized under this act to ensure that member interests are protected.

SECTION 10. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 660.10 of Title 36, unless there is created a duplication in numbering, reads as follows:

A mutual holding company that results from the reorganization of a domestic mutual insurance company organized under this act must be organized in accordance with Title 18 of the Oklahoma Statutes. The articles of incorporation, and any amendments to those articles, of the mutual holding company are subject to approval of the Oklahoma Insurance Commissioner in the same manner as those of a mutual insurance company.

SECTION 11. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 660.11 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. The membership interests of the policyholders of the resulting company become membership interests in the mutual holding company. Eligible members of the converting company become members of the mutual holding company in accordance with the articles of incorporation and bylaws of the mutual holding company.

B. A membership interest in a mutual holding company does not constitute a security, defined as:

1. A limited partner interest in a limited partnership;

2. A share;
3. A stock;
4. A treasury stock;
5. A stock certificate under a voting trust agreement;
6. A collateral trust certificate;
7. An equipment trust certificate;
8. A preorganization certificate or receipt;
9. A subscription or reorganization certificate;
10. A note, bond, debenture, mortgage certificate, or other evidence of indebtedness;
11. Any form of commercial paper;
12. A certificate in or under a profit-sharing or participation agreement;
13. A certificate or instrument representing an interest in or under an oil, gas, or mining lease, fee, or title;
14. A certificate or instrument representing or secured by an interest in any of the capital, property, assets, profits, or earnings of a company;
15. An investment contract; and
16. Any other instrument commonly known as a security, regardless of whether the instrument is similar to another instrument listed in this subsection.

This applies regardless of whether the security is evidenced by a written instrument. This definition does not include an insurance policy, endowment policy, annuity contract, or optional annuity contract, or any contract or agreement in relation to and in consequence of any such policy or contract, issued by an insurance company subject to the supervision or control of the Oklahoma



Insurance Department when the form of such policy or contract has been filed with the Department as required by law.

SECTION 12. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 660.12 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. As used in this section:

1. "Intermediate holding company" means a holding company that:

- a. is a subsidiary of a mutual holding company formed to reorganize a mutual insurance company, and
- b. directly or through a subsidiary intermediate holding company, owns the resulting company; and

2. "Majority of the voting shares of the capital stock" means shares of the capital stock of a company that carry the right to cast a majority of the votes entitled to be cast by all of the outstanding shares of the capital stock of the company on all matters submitted to a vote of the shareholders of the company.

B. All of the initial shares of the capital stock of the resulting company shall be issued to the mutual holding company.

C. The mutual holding company shall at all times own a majority of the voting shares of the capital stock of the resulting company or of an intermediate holding company established to hold the voting shares of the resulting company. The requirements of this subsection may be satisfied by indirect ownership through one or more intermediate holding companies in a corporate structure approved by the Oklahoma Insurance Commissioner.

D. The mutual holding company or intermediate holding company may not convey, transfer, assign, pledge, subject to a security interest or lien, encumber, or otherwise hypothecate or alienate the majority of the voting shares of the capital stock that is required to be owned under subsection C of this section.

E. A violation of subsection D of this section is void in inverse chronological order from the date of the conveyance or activity as to the shares necessary to constitute a majority of the voting shares of the capital stock.

SECTION 13. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 660.13 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. On the approval of the Oklahoma Insurance Commissioner, a foreign mutual insurance company may reorganize in compliance with the requirements of any law or regulation applicable to the foreign mutual insurance company by:

1. Transferring its members' membership interests into a mutual holding company formed under a procedure analogous to that described by this act; and

2. Continuing the corporate existence of the reorganizing foreign mutual insurance company as a foreign stock insurance company subsidiary of the mutual holding company.

B. The reorganizing foreign mutual insurance company may remain a foreign company and may be admitted to do business in this state. A foreign mutual insurance company may also redomesticate in this state by complying with the applicable requirements of Section 606.1 of Title 36 of the Oklahoma Statutes.

SECTION 14. This act shall become effective November 1, 2024.

Passed the House of Representatives the 11th day of March, 2024.

\_\_\_\_\_  
Presiding Officer of the House  
of Representatives

Passed the Senate the 23rd day of April, 2024.

\_\_\_\_\_  
Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this \_\_\_\_\_  
day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.  
By: \_\_\_\_\_

Approved by the Governor of the State of Oklahoma this \_\_\_\_\_  
day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this \_\_\_\_\_  
day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.  
By: \_\_\_\_\_