

304.24-613 Effect of conversion.

- (1) Upon the effective date of the plan of conversion:
 - (a) The converting mutual shall be converted from a domestic mutual insurer to a domestic stock insurer, and the former mutual shall have all the rights, privileges, immunities, and powers and shall be subject to all the duties and liabilities of a stock insurer existing under this chapter;
 - (b) The membership interests of every member and policyholder of the converting mutual shall be extinguished and cease; and
 - (c) The rights of every policyholder, certificate holder, and other insured of the converting mutual under any contract of insurance shall continue in force in accordance with the terms, provisions, and conditions of the contract, including rights, if any, to dividends.
- (2) The former mutual shall be a continuation of the existence of the original converting mutual. The conversion in no way shall annul, modify, or change any of the original converting mutual's existing suits, rights, contracts, or liabilities. The former mutual shall be vested in all the rights, franchises, and interests of the converting mutual in and to every species of property without any deed or transfer, and the former mutual shall succeed to all the obligations and liabilities of the converting mutual and retain all rights and contracts existing prior to effectiveness of the conversion.

Effective: July 14, 2000

History: Created 2000 Ky. Acts ch. 42, sec. 8, effective July 14, 2000.