

304.24-623 Acquisition of beneficial ownership of voting securities after conversion.

- (1) Except as specifically provided in the plan of conversion, for a period of five (5) years following the effective date of the conversion, no person or persons acting in concert, other than the former mutual, any affiliate, any employee benefit plans, or trusts sponsored by the former mutual or affiliate, shall directly or indirectly offer to acquire or acquire in any manner the beneficial ownership of five percent (5%) or more of any class of a voting security of the former mutual or any affiliate company without the prior approval by the commissioner of a statement filed by that person with the commissioner. The statement shall contain the information required by KRS 304.37-120(2) and any other information required by the commissioner.
- (2) The commissioner shall not approve the acquisition if the commissioner finds that:
 - (a) The requirements of KRS 304.37-120(4)(a) have not been satisfied;
 - (b) The acquisition will frustrate the fair and equitable plan of conversion as approved by the members and the commissioner;
 - (c) The acquisition or change of control will result in unjust enrichment of the acquiring persons to the detriment of the eligible members of the converting mutual; and
 - (d) The acquisition would not be in the best interest of the present and future policyholders of the former mutual, without regard to any interest of policyholders as shareholders of the former mutual or any affiliate company.
- (3) The requirements of this section shall be in addition and supplemental to any other filings or approvals required by this chapter or otherwise by law.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 1360, effective July 15, 2010. -- Created 2000 Ky. Acts ch. 42, sec. 13, effective July 14, 2000.