

304.24-625 Sale or issuance of stock or other security after conversion.

During the one (1) year period following the effective date of the plan of conversion, neither the former mutual nor any affiliate company shall sell or issue, or adopt any plan or benefit program providing for the sale or issuance of, any stock or other equity security except:

- (1) As disclosed in the approved plan of conversion; or
- (2) As otherwise approved by the commissioner, upon a finding that the stock transaction:
 - (a) Will not frustrate the plan of conversion as approved by the members and the commissioner; and
 - (b) Is not adverse to the best interests of the policyholders of the former mutual, without regard to any interests of policyholders as shareholders of the former mutual or any affiliate company.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 1361, effective July 15, 2010. -- Created 2000 Ky. Acts ch. 42, sec. 14, effective July 14, 2000.