§ 4210. Election of directors of domestic mutual life insurance companies. (a) (1) The directors of every domestic mutual life insurance company shall be elected in the manner and subject to the regulations prescribed in this section.

(2) Every such company shall, in accordance with its charter, either elect its entire board of directors biennially, or divide its board of directors into not more than three classes, as nearly equal as may be, in which case the members of one class only shall be elected annually.

(3) In this section:

(A) "Policyholder" means the person insured under an individual policy of life insurance or of accident and health insurance issued upon the application of such person, the person who effectuates any such policy upon the person of another pursuant to subsection (c) of section three thousand two hundred five of this chapter, the person to whom any annuity or pure endowment is presently or prospectively payable by the terms of an individual annuity or a pure endowment contract, except where the policy or contract declares some other person to be the owner or holder thereof, in which case such owner or policyholder shall be deemed the policyholder, and except in cases of assignment as hereinafter provided. In the case of any such individual policy or contract insuring two or more persons jointly the persons insured, or, if any such policy be issued upon the application of some third person or persons, the person or persons who effectuated any such policy pursuant to subsection (c) of section three thousand two hundred five of this chapter shall be deemed one policyholder within the meaning of this section. In case any such policy or contract shall have been assigned by an assignment absolute on its face, to an assignee other than the company which shall have issued such policy, and in case the signature of such assignee, either attested by the assignor or acknowledged by the assignee, shall have been more than six months prior to any election hereinafter referred to, filed at the principal office of such company, then such assignee shall be deemed a policyholder within the meaning of this section. In the case of every policy or contract of group insurance or group annuity contract, issued by such company, the employer, or other person, firm, corporation or association to whom or in whose name the master policy shall have been issued and held, shall be deemed one policyholder within the meaning of this section. Whenever in this

section reference is made to a policy of life insurance for one thousand dollars or more, such reference shall be deemed to include, as equivalent thereto, an annuity contract which at normal date of maturity requires the payment of one hundred dollars or more annually, and a pure endowment contract for the principal sum of one thousand dollars or more.

(B) "Acknowledged", when used in reference to any instrument or signature, shall have the same meaning which it has in reference to conveyances of real property eligible for recording under section two hundred ninety-one of the real property law.

(b) (1) Every participating policyholder of such company and every policyholder of such company whose policy or contract is a non-participating policy or contract described in the first sentence of paragraph one of subsection (e) of section four thousand two hundred thirty-one of this article, or a variable annuity contract subject to paragraph one of subsection (d) of section four thousand two hundred forty of this article and whose policy or contract shall be in force and shall have been in force for at least one year prior to any such election shall be entitled, without further qualification, to vote thereat, either in person or by mail or by proxy, as hereinafter provided, except that any company may adopt a resolution amending its charter or by-laws so as to provide that all voting by policyholders for directors shall be by ballot alone and not by proxy. In the event any company adopts such an amendment, all mention of proxy or proxies or of persons to receive proxies in this section, shall not apply to such company and such company shall conduct its elections only by means of ballots as long as such amendment is in effect. Any such company may, upon the approval of the superintendent, confer, upon all or any class of its non-participating policyholders holding a policy or contract issued pursuant to the special permit granted by the superintendent in accordance with paragraph one of subsection (e) of section four thousand two hundred thirty-one of this article, the same rights to vote for directors possessed by its participating policyholders. The superintendent may give such approval if he finds that the proposed change is in conformity with the requirements of law and that the representation of the policyholders therein conferred is equitable and reasonable.

(2) Every other person having a right to vote in any such election by virtue of any contract which was made prior to April twenty-seventh, nineteen hundred six, and which shall be in force at the time of such election, shall be entitled to vote thereat in similar manner.

(3) In any election of directors of a domestic mutual life insurance company pursuant to the provisions of this section, every policyholder shall be entitled to one vote only, irrespective of the number of policies or contracts held by him and of the amount thereof.

(c) (1) Not less than five months nor more than eight months prior to any such election, on request of not less than twenty-five policyholders entitled to vote at the last prior election, which request must be subscribed and affirmed as true under the penalties of perjury by each of such policyholders and must be filed in duplicate with such company at least five days before any hearing thereon, the superintendent, after notice of not less than five days to such company and a hearing thereon, may in his discretion order such company within a period of not more than forty-five days and not less than thirty days thereafter, to file in his office, or in some suitable place designated by him and under his custody, a full and correct copy of its list or card catalogue of the names and last known postoffice addresses of all policyholders who have been such for at least six months under a policy of life insurance for one thousand dollars or more, or to file any part of such list or card catalogue as the superintendent specifies.

(2) A list or any part thereof which may be so ordered filed pursuant to paragraph one hereof shall be arranged, classified and corrected as directed by the superintendent; and if one or more independent nominations are made, as specified in subsection (h) hereof, then such election shall be deemed a contested election and a complete list or card catalogue of names of all policyholders who are eligible to vote, as defined in this section, under a policy of life insurance for one thousand dollars or more shall be so filed within forty-five days after the copy of the certificate of such nominations, certified by the superintendent shall have been filed at the home office of such company, and such list or card catalogue shall be corrected from the records of such home office so that a list or card catalogue, as nearly correct as may be, shall be on file as aforesaid down to within three months of such election.

(d) (1) Such list or card catalogue or any part thereof so filed, while in the custody of the superintendent, shall be subject to inspection, under regulations prescribed by him, at any time during business hours by any policyholder of such company or by his authorized representative, and in case of a contested election, under regulations to be prescribed by the superintendent, may be used in the canvass of the policyholders of the company.

(2) After such election, or, if no independent nomination has been made, then after the time for such independent nominations has expired, such list or card catalogue shall be returned to the company filing the same.

(e) If all or any class of the policyholders of any domestic stock life insurance company shall be entitled to vote at any election of the directors of such company, such policyholders, subject to the provisions of the company's charter, shall be entitled to vote in person, by proxy or by mail, as herein provided, and under the conditions stated in subsection (c) hereof, a similar list or card catalogue of policyholders, qualified to vote, in accordance with the charter or by-laws of such corporation, except the holders of industrial policies, shall be filed and maintained in the office of the superintendent, or in some suitable place designated by him and under his custody, and at the home office of such company, respectively, similarly arranged and similarly subject to inspection and copy and withdrawal as in the case of mutual life insurance companies as above provided.

(f) Where policyholders in any company shall have made nominations as hereinafter prescribed, they or a committee representing them, shall upon demand, and with the approval of the superintendent and the payment to the company of the actual cost of making such copies, be furnished by such company with a copy of such list of policyholders or with a copy therefrom of the policyholders residing in a designated territory. A copy of a list so taken, or of any part thereof, shall be held by persons receiving the same inviolate and solely for the purposes of said nominators in a pending election and shall not be transmitted to other persons for any other use whatever. At the close of the canvass of the votes all copies of such lists shall be returned to the company.

(g) At least seven months prior to the date of any election of directors in any such company, the board of directors shall nominate

candidates for every vacancy to be filled at such election and shall also appoint three persons, jointly or severally, to receive proxies to be voted for said nominees, and shall also file in duplicate with the superintendent and at its home office a certificate of the names of the candidates so nominated and of the persons so designated to receive said proxies, which shall be described as the "administration ticket."

(h) (1) (A) In every such company which had over one hundred thousand policies or contracts of the kind or kinds specified in subsection (a) hereof, in force at its last preceding election, each in the amount of one thousand dollars or more, of life insurance or an equivalent thereto as hereinbefore provided, any policyholders, prospectively qualified as voters at the next ensuing election of directors, equal in number to one-tenth of one per centum of such total policies in force or five hundred, whichever number is greater, and in every other such company, any five hundred or more of such prospectively qualified voters, may make other nominations for one or more vacancies in the board of directors to be filled at any such election by filing with the superintendent, at least five months before the election, a certificate, subscribed and affirmed as true under the penalties of perjury by each of such policyholders, giving the names and addresses of the candidates nominated, the names and addresses of three persons jointly or severally, designated to receive proxies to be voted for said nominees, and an appropriate name or title designated by the superintendent to distinguish such ticket from the administration ticket and other nominations.

(B) If the superintendent finds after investigation or hearing that such other nominations have been made as specified in this subsection, he may certify to such certificate.

(C) Such nominators shall also file a copy of said certificate, certified by the superintendent, at the home office of the company at least five months before such election.

(D) Any policyholder who will be qualified to vote at such ensuing election if he continues his policy or contract in force at the time of such election, shall be deemed prospectively qualified to vote thereat.

(2) (A) All certificates of nomination shall be accompanied by a written acceptance of such nomination by each nominee thereon.

(B) The supreme court in the judicial district in which such company

has its home office may for cause shown direct the name of any candidate to be stricken from a ticket on file.

(C) The provisions of subsection (k) hereof shall apply to any vacancy so created.

(3) If no independent nomination shall have been made as provided in subsection (h) hereof, then the provisions of subsections (i) to (k), hereof inclusive, of this section, shall not be applicable, and such election of directors shall be conducted in accordance with such reasonable rules and regulations as the superintendent may prescribe; but no votes shall be cast or counted except by ballot signed by the policyholder and for candidates nominated by the board of directors, in accordance with subsection (g) of this section or for such candidate as the board of directors may have nominated to fill vacancies among said candidates caused by the death, disability or refusal to stand as candidates of any one or more of those so nominated.

(i) (1) (A) At least three months prior to any such contested election the company shall cause to be mailed, in a sealed envelope with postage prepaid, to each policyholder whose name shall be upon said complete list or card catalogue and whose policy shall still be in force, at his last known post-office address, a serially numbered official ballot in a form approved by the superintendent and containing the respective tickets nominated as hereinbefore provided and the names and addresses of the persons so appointed to receive proxies. A corresponding serially numbered stub or card containing the name and address of the policyholder to whom each ballot is sent shall be retained at the home office of the company for the purpose of identifying said ballot when returned.

(B) Such official ballot shall be conveniently arranged under the names or titles by which the nominations have been designated and shall have printed upon it the name of the company, the post-office address of its home office, the number of directors to be elected and the names of those whose terms expire, the date of the election and instructions as herein provided for executing such official ballot or for the use of a proxy as herein provided and a designated space for the signature of the policyholder, the number of one of his policies and the signature of a subscribing witness.

(C) No other or different ballot shall be used, except that a

duplicate ballot or ballots may be supplied to any policyholder and voter or to the holder of his proxy, for his own use, pursuant to rules and regulations prescribed by the superintendent.

(D) There shall be inclosed in such sealed envelope with such official ballot a suitable return gummed envelope having inscribed thereon the name and post-office address of the home office of the company, the corresponding serial number, and the words "ballot for directors". There shall also be inclosed in such sealed envelope or printed on the back of such ballot, a suitable blank proxy together with a statement of the right of the policyholder to vote either by mail or by proxy as herein provided or in person.

(E) No other papers or written or printed matter shall be inclosed in such sealed envelope. Specimen copies of such sealed envelope, ballot and proxy shall be submitted to the superintendent for his approval, and no such envelope and inclosures shall be mailed unless the same shall have been approved by him.

(2) A policyholder desiring to vote directly by mail must indicate the name of the nominee or nominees for whom he desires to vote or strike out the name or names of those for whom he does not desire to vote upon the official ballot so provided or must otherwise suitably indicate in the blank spaces thereon the nominee or nominees for whom he desires to vote, and must sign the said official ballot in his own handwriting in the presence of a subscribing witness, and place or cause to be placed thereon the number of at least one policy held by him. Failure to state or to correctly state such policy number shall not render a ballot void or subject the policyholder to any penalty.

(3) Such policyholder desiring to vote directly by mail must inclose the official ballot so marked in such return envelope or in a similarly inscribed envelope. Such envelope containing the ballot sealed and postpaid shall be mailed by the policyholder to the home office of the company. No policyholder may vote for more than the number of directors so to be elected and all ballots upon which the intent of the policyholder does not fairly appear shall be void.

(j) (1) A policyholder may vote by proxy executed to one or more of the persons designated in the certificates filed as provided in subsections (g) and (h) of this section. The execution of a proxy shall be attested by a subscribing witness and the proxy shall set forth the

number of at least one policy held by the person giving it. A proxy shall not be valid unless executed within three months prior to the election and shall be used only at such election or any adjournment thereof and may not be revoked by the policyholder giving the same unless it appears that the policyholder was induced by fraud or misrepresentation to execute the proxy.

(2) In exercising such proxy the holder or holders thereof shall vote only upon the official ballot, or the duplicate thereof, furnished to such policyholder as hereinbefore provided, to which such proxy shall be attached. In so voting the proxy holder shall sign said ballot in the name of the policyholder, and shall also sign his own name as proxy.

(3) Ballots voted by proxy holders shall be mailed to the home office, or voted in person by said proxy holder, in the same manner as herein prescribed for ballots voted directly by policyholders.

(k) (1) The votes at such contested election shall be limited to the candidates nominated as aforesaid and to substituted nominees chosen as follows:

(A) In case any vacancy occurs more than five months prior to the day set for such election, the board of directors, if such vacancy occurs on the administration ticket, or a majority of the nominators, if such vacancy occurs on any independent ticket, shall nominate another candidate to fill such vacancy by filing at least one month prior to the date of such election a certificate of said nomination with the superintendent and a certified copy thereof at the home office of the company, and the name of the candidate so selected shall be set forth in the official ballot sent out by the company.

(B) If such vacancy occurs within five months of such election then the board of directors, including those elected at such election, shall have power to fill such vacancy.

(2) All ballots by mail shall be received, at the home office of the company holding such contested election, by two or more persons, one-half of whom shall be appointed for that purpose by the superintendent and one-half by the directors of the company. The compensation of the custodians so appointed shall be paid by the company. Such custodians shall keep a daily record of the envelopes marked as containing ballots for directors which are received at the home office, and shall securely retain them in their joint custody in

safety vaults or compartments accessible only to such custodians and not to either of them separately, under regulations prescribed by the superintendent. Prior to the closing of the polls on election day said custodians shall deliver all ballots so received by them to the inspectors of election.

(3) The election shall be held at the home office of the company. The polls shall be opened at ten o'clock in the forenoon and remain open until four o'clock in the afternoon of the day of the election, at which time they shall be closed. All votes cast at such election shall be by ballot as hereinbefore provided.

(4) The superintendent shall appoint an adequate number of competent and disinterested inspectors of election and may appoint if necessary, expert accountants and other assistants and may authorize the procurement of stationery and supplies necessary for conducting the election and canvassing the votes. The reasonable compensation of such inspectors, expert accountants and other assistants prescribed by the superintendent, and other necessary disbursements approved by him, shall be paid by the company. Such inspectors shall have power to determine all questions concerning the verification of the ballots, the ascertainment of the validity thereof, the qualifications of the voters and the canvass of the vote, and with respect thereto shall act under such rules and regulations as are prescribed by the superintendent.

(5) All envelopes marked substantially as hereinbefore prescribed received by mail at the office of the company at any time prior to the day of election or on that day before the polls are closed shall be forthwith delivered intact without opening to the custodians appointed as hereinbefore provided and before the polls are closed shall be delivered to the inspectors of election.

(6) No person shall conceal or withhold or aid or abet any other person in concealing or withholding from the custodians or inspectors any such envelope; nor shall any person, other than an inspector, or an authorized assistant, open or aid or abet any person to open any such envelope.

(7) No ballots received by mail at the office of the company or offered personally or by proxy after the polls are closed shall be counted. All ballots offered personally or under proxies and all ballots received by mail at the office of the company as aforesaid before the

polls are closed shall be received by the inspectors subject to verification and ascertainment of the validity thereof and of the qualifications of the voters.

(8) Immediately upon the closing of the polls the inspectors shall proceed to the examination of the ballots and shall canvass the votes lawfully cast. The canvass shall proceed from day to day and the inspectors, or a majority thereof, shall certify the result to the company and to the superintendent as soon as it is completed. Such certificate shall be subscribed and affirmed by such inspectors as true under the penalties of perjury. Unless contested by the superintendent or other qualified person pursuant to paragraph twelve hereof, the results so certified shall be decisive. The superintendent may require the inspectors to report for determination by him any questions upon which they may disagree.

(9) Representatives designated by a majority of each three persons who shall have been appointed as aforesaid to receive proxies to be voted for tickets nominated for such contested election, in such number as shall be approved by the superintendent, may be present during the casting, verification and canvass of the votes. The compensation of such representatives shall not be a charge upon or paid from the funds of the company.

(10) All ballots and proxies received by the inspectors of election shall immediately upon the completion of the canvass be placed in sealed packages and shall be preserved by the said inspectors for a period of four months, subject to the order of any court having jurisdiction of any proceedings relating thereto. The necessary expenses of preserving such ballots and proxies shall be paid by the company as a part of the expenses of such election.

(11) The superintendent shall have power to supervise and direct the methods and procedure of any such contested election and to make all further needful rules and regulations concerning the same. The superintendent shall prescribe the method of distribution of ballots and proxies to policyholders, qualified to vote at such election, who are not included in such list or card catalogue, and shall prescribe reasonable rules and regulations for the casting of such ballots and the exercise of such proxies. All bills for or on account of the custodians of ballots and inspectors of election, their employees, assistants and

other necessary expenses or disbursements, during the conduct of such contested election, and the canvass of the votes, shall be approved by the superintendent before payment by the company.

(12) Any such contested election and the conduct thereof shall at all times, on petition of the superintendent or of any person or persons qualified with respect to any procedure or right therein which is in question, be subject to the supervision and control of the supreme court in the judicial district in which such company has its home office, in like manner as elections for state, county and municipal officers, so far as analogous thereto.

(l) The inclusion by any such company of the name of any person in any list of policyholders required by this section shall not be construed as an admission by the company of the validity of any policy or contract and no such list shall be competent evidence against the corporation in any action or proceeding in which the question of the validity of any policy or contract or of any claim under it is involved.

(m) (1) No insurance company, and no officer, agent or employee thereof shall knowingly omit, from any list or card catalogue herein required to be filed, the name of any policyholder required to be included therein, or shall knowingly omit to give the correct name and address of such policyholder, or shall knowingly give a wrong address, or shall expend, advance or lend any money of the company contrary to the provisions of this section.

(2) Except where such expenditure is otherwise authorized or required by this section, no money of the company shall be expended in connection with any such election or in canvassing therefor, and no officer or agent of the company shall directly or indirectly make any advance or loan of such moneys to any person in connection with or for the purpose of such election or canvass unless the expenditure or loan is in a contested election and shall be limited to reasonable amounts authorized by the board of directors of the company and approved in advance by the superintendent.

(3) No officer, salaried agent or employee of any such company shall, within the period between the filing of the nominations and the election, during business hours, devote any of his time to soliciting votes in support of or in opposition to any candidate or list of candidates in connection with any such election of directors. No

officer, agent or employee of any such company shall compel or coerce any other such officer, agent or employee to support, work for, or oppose any candidate or any list of candidates. Neither the stationery or supplies of any such company nor office space devoted to the conduct of its business shall be used for furthering the interest of any ticket or candidate at any election of directors. Notwithstanding the above, the company may utilize the time of officers, employees and agents, office space, stationery and supplies in circumstances where money of the company may be expended pursuant to paragraph two of this subsection, but no officer, employee or agent shall in connection with any election be coerced to undertake activity outside the scope of the duties of the position of such officer, employee or agent.

(4) No person, firm or corporation, whether connected with such company or otherwise, shall issue or cause to be issued any circular or other written or printed communication, either in behalf of or in opposition to any ticket or any candidate for election as director of such company which contains any false statement.

(5) No policyholder shall sell or offer to sell any vote or proxy for any sum of money or anything of value. No agent shall be paid or receive any sum of money or anything of value in connection with the voting of a ballot or obtaining of a proxy.

(n) In addition to the procedures described in this section, a domestic mutual life insurance company may, upon approval of the superintendent, offer policyholders alternate methods of voting in an uncontested election and receiving materials related thereto, including via electronic means. The superintendent may approve such methods if he or she finds that they are consistent with the requirements of law and equitable and reasonable for the company's policyholders. The superintendent may issue such rules and regulations as he or she deems necessary to implement the provisions of this subsection.