§ 7306-a. Reconversion of domestic mutual property/casualty insurance company into advance premium corporation or assessment corporation. Any domestic mutual property/casualty insurance company, organized under article twelve of this chapter and licensed under article forty-one of this chapter which was previously organized as an advance premium corporation or assessment corporation and which has in force contracts of insurance of the kinds which advance premium corporations or assessment corporations, as defined in section six thousand six hundred two of this chapter, may be authorized to do, covering not less than three hundred separate risks and on which the premiums in force aggregates not less than one hundred thousand dollars, may be reconverted into and licensed as an advance premium corporation or assessment corporation in the manner prescribed in this section and subject to any other requirements of law. The successive steps shall be as follows:

(a) A majority of the board of directors of the domestic mutual property/casualty insurer shall adopt a resolution approving the proposed reconversion and appointing a committee of not less than three directors to prepare a draft of a proposed declaration, charter and by-laws.

(b) The proposed declaration, charter and by-laws shall be submitted with an appropriate resolution to the board for its approval.

(c) A majority of the board at any regular or special meeting thereof shall approve by resolution the proposed declaration, charter and by-laws, which shall conform to the requirements of this chapter relative to the contents of charters and by-laws of advance premium corporations or assessment corporations, as the case may be, hereafter organized, with such additions as the superintendent shall approve to accommodate insurance contracts then in force. Such resolution shall also direct that notice that the proposed reconversion will be submitted for approval at a special meeting of policyholders to be called for that purpose be mailed, with postage prepaid, to all policyholders at their last known post office addresses respectively, at least thirty days prior to the date of the meeting, together with copies of the resolutions provided for in subsections (a) and (b) of this section and this subsection and of the proposed declaration, charter and by-laws.

(d) At least two-thirds of the votes of policyholders voting at such

meeting either in person or by proxy, if the domestic mutual property/casualty insurer's by-laws provide for a vote by proxy, shall be cast in favor of the proposed reconversion and of the adoption of the proposed declaration and charter and proposed by-laws. A resolution shall similarly be adopted instructing the president and secretary to execute or certify and file all necessary papers and instruments incident to the proposed conversion.

(e) The proposed declaration and charter executed by the president and secretary together with proof of mailing of notice of policyholders' meeting and copies of all other necessary papers and instruments incident to the proposed reconversion, together with a certificate of their adoption as provided for herein, subscribed and affirmed by such officers as true under the penalties of perjury, shall be submitted to the superintendent.

(f) If the superintendent finds, by such investigation or examination as he deems appropriate to make, that the corporation meets the initial surplus and reserve requirements for advance premium corporations or assessment corporations, as the case may be, to do the kinds of insurance business for which the corporation is to be licensed, and complies with all other provisions of this section, he shall approve the declaration and charter and by-laws and file the same together with the other documents submitted as required by subsection (e) of this section in his office, and coincident with such filing such domestic mutual property/casualty insurance company shall become an advance premium corporation or assessment corporation, as the case may be.

(g) Upon compliance by the domestic mutual property/casualty insurer with the foregoing and with any other lawful prerequisites for the issuance of an insurer's license, the superintendent may, in accordance with subsection (d) of section one thousand one hundred two of this chapter, grant a license to such advance premium corporation or assessment corporation, as the case may be. Such corporation shall thereafter be subject to all the provisions and requirements of this chapter relative to advance premium corporations or assessment corporations, as the case may be.