

304.24-601 Definitions for KRS 304.24-600 to 304.24-625.

As used in KRS 304.24-600 to 304.24-625, unless the context requires otherwise:

- (1) "Converting mutual" means a domestic mutual insurer that adopts a plan of conversion under KRS 304.24-603 that will result in the insurer converting into a domestic stock insurer.
- (2) "Eligible member" means:
 - (a) Any person who is a member of the converting mutual on the date the converting mutual's board of directors adopts a resolution proposing a plan of conversion;
 - (b) Any person who has been a member of the converting mutual within the last three (3) years prior to the date the converting mutual's board of directors adopts a resolution proposing a plan of conversion; and
 - (c) Any person who is a certificate holder under a group policy if the person meets the condition in paragraph (a) or (b) of this subsection and inclusion of the certificate holder as an eligible member is necessary for a fair and equitable distribution.
- (3) "Former mutual" means the domestic stock insurer resulting from the conversion of a converting mutual to a stock insurer pursuant to a plan of conversion in accordance with KRS 304.24-600 to 304.24-625.
- (4) "Membership interests" means:
 - (a) The voting rights of members of a domestic mutual insurer as provided by law and by the insurer's articles of incorporation and bylaws; and
 - (b) The rights of members of a domestic mutual insurer to receive cash, stock, or other consideration in the event of a conversion to a stock insurer under KRS 304.24-600 to 304.24-625 or a dissolution under KRS 304.24-430.
- (5) "Plan of conversion" means the plan of conversion described in KRS 304.24-603 and includes the proposed amendment to the converting mutual's articles of incorporation, unless the context requires otherwise.

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