

67A.21 CONSOLIDATION, MERGER.

Two or more township mutual fire insurance companies which have been or may hereafter be authorized to transact the business of insurance upon insurable property as herein authorized may consolidate or merge as provided herein.

To effect this consolidation or merger, it shall be necessary:

(1) that the board of directors or managing body of each of the corporations pass a resolution to the effect that the consolidation or merger is advisable and containing the proposed name of the corporation, as consolidated or merged, its principal office, and the names of its first board of directors and officers;

(2) that a special meeting of the policyholders of each of the corporations shall be held, a notice of which meeting shall be mailed to each of the policyholders thereof at least 30 days prior to the holding thereof, and which notice shall embody the resolution adopted by the board of directors, as provided in clause (1);

(3) that a majority of the policyholders of each of the corporations present or represented at these special meetings shall, by resolution, approve and ratify the action of the directors, as provided for in clause (1); and

(4) that the proceedings and resolutions be filed with, and approved of by, the commissioner.

When full copies of these proceedings have been filed with the commissioner, which copies shall be certified by the president and secretary of the respective corporations and duly verified by these officers, and approved of by the commissioner, the consolidation or merger of these corporations shall be deemed to be complete, and the company so continuing the business shall be deemed to have fully assumed all of the obligations, liabilities, and risks and to be the owner of all the assets of the companies so consolidating or merging.

If this consolidation or merger is made under any new name, the filing of these proceedings and the approval of same by the commissioner shall be sufficient to constitute the consolidated or merged company a corporation, with all the powers and privileges, and subject to all the limitations, of a township mutual fire insurance company under the laws of this state.

History: 1967 c 395 art 8 s 21; 1975 c 15 s 18; 1986 c 444