

508B.1 Definitions.

As used in this chapter, unless the context clearly indicates otherwise:

1. “*Commissioner*” means the commissioner of insurance.
2. “*Mutual life insurance company*” or “*mutual company*” means a level premium and natural premium life insurance company authorized under chapter 508 upon the mutual plan and includes a domestic company which meets the requirements of section 508.12.
3. *a.* “*Plan of conversion*” or “*conversion plan*” means a plan authorized by section 508B.3 and, in the case of plans authorized by section 508B.3, subsections 1 and 3, includes a procedure by which the mutual company’s participating policies and contracts in force on the effective date of the conversion plan are operated by the reorganized company as a closed block of participating business for the exclusive benefit of the policies and contracts included, for dividend purposes only; to which are allocated assets of the mutual company in an amount which together with anticipated revenue from the business is reasonably expected to be sufficient to support the business; and which includes, but is not limited to, provisions for payment of claims and reasonable expenses, and provisions for continuation of current payable dividend scales if the experience underlying the scales continues, and a procedure for appropriate adjustments in the scales if the experience changes. However, at the option of the mutual company, some or all classes of group policies and contracts shall not be placed in the closed block but shall continue to be eligible to receive dividends based on the experience of the class or classes.
b. If any amount of the policyholders’ consideration as specified in section 508B.3, subsection 3, paragraph “*b*”, for certain classes of policies or contracts is to be paid in the form of increased annual dividends to the policyholders in those classes, that amount is to be added to the assets allocated as provided in paragraph “*a*” and is to be paid to those classes.
4. “*Policyholder*” means a person, determined by the mutual company, who is the holder of a policy or annuity contract for the purposes of section 508B.3, subsection 1, 2, or 3.
5. “*Policyholders’ membership interest*” means all policyholders’ rights as members of the mutual company including, but not limited to, rights to vote and participate in any distribution of surplus whether or not incident to liquidation of the mutual company.
6. “*Reorganized company*” means the domestic stock company into which a mutual company has been converted, converted and merged, or converted and consolidated.
7. “*Stock life insurance company*” or “*stock company*” means a life insurance company authorized under chapter 508 upon the stock plan and includes a domestic company which meets the requirements of section 508.12.

85 Acts, ch 127, §1; 86 Acts, ch 1237, §30; 90 Acts, ch 1234, §7; 99 Acts, ch 165, §2