

515G.2 Mutual insurer becoming stock company — authorization.

1. A mutual insurer may become a stock insurance company pursuant to a plan of conversion established and approved in the manner provided by [this chapter](#). The plan of conversion shall be adopted by the board of directors of the insurer to become effective on a future stated date.

2. A plan of conversion may provide that a mutual insurance company may convert into a domestic stock insurance company, convert and merge, or convert and consolidate with a domestic stock insurance company, as provided in [chapter 490](#) or [chapter 491](#), whichever is applicable. However, a mutual insurance company is not required to comply with [sections 490.1102 and 490.1104](#) or [sections 491.102 through 491.105](#) relating to approval of merger or consolidation plans by boards of directors and shareholders.

3. If conversion from a mutual insurer to a stock company is to be undertaken by a transaction which would be governed by [chapter 521](#) or [521A](#), but the plan of conversion adopted by the board of directors of the insurer includes approval of an acquisition of control, merger, consolidation, or reinsurance, then [chapter 521](#) or [521A](#) shall not be applicable to the transaction. However, in that case, the commissioner may require any information from the person or persons acquiring control of the insurer as could be required under [chapter 521](#) or [521A](#), and may disapprove the transaction on any basis on which it could be disapproved under [chapter 521](#) or [521A](#).

[90 Acts, ch 1083, §2](#); [2006 Acts, ch 1117, §75](#)