

**40-4001. Conversion authority; review by commissioner; act to be liberally construed.** A domestic mutual insurer issuing nonassessable policies may be converted into a domestic stock insurer. To that end, it may provide and carry out a plan for such conversion by complying with the requirements of this act. Because it is not possible to anticipate all of the circumstances and considerations which may arise incident to a conversion from a mutual insurer to a stock insurer, the commissioner has broad authority in reviewing such conversion, and the procedures and criteria to be applied by the commissioner are flexible within the parameters of this act. This act shall be liberally construed to effect the legislative intent set forth in this section and shall not be interpreted to limit the powers granted to the commissioner by other provisions of law.

**History:** L. 1985, ch. 154, § 1; L. 1997, ch. 107, § 1; July 1.