

§ 58-7-150. Consolidation.

(a) A domestic insurer may consolidate with another insurer, subject to the following conditions:

- (1) The plan of consolidation must be submitted to and be approved by the Commissioner before the consolidation.
- (2) The Commissioner shall not approve the plan unless the Commissioner finds that it is fair, equitable to policyholders, consistent with law, and will not conflict with the public interest. If the Commissioner disapproves the plan, the Commissioner shall state the reasons for the disapproval and call for a hearing.
- (3) No director, officer, member or subscriber of any such insurer, except as is expressly provided by the plan of consolidation, shall receive any fee, commission, other compensation or valuable consideration whatever, for in any manner aiding, promoting or assisting in the consolidation.
- (4) Any consolidation as to an incorporated domestic insurer shall in other respects be governed by the general laws of this State relating to business corporations. The consolidation of a domestic mutual insurer may be effected by vote of two thirds of the members voting thereon pursuant to such notice and procedure as the Commissioner may prescribe.

(b) Reinsurance of all or substantially all of the insurance obligations or risks of existing or in-force policies of a domestic insurer by another insurer under an assumption reinsurance agreement, as defined in G.S. 58-10-25(a)(2), shall be deemed a consolidation for the purposes of this section. This section does not apply to consolidations to the extent regulated by Article 19 or other Articles of this Chapter.

(c) Repealed by Session Laws 2005-424, s. 1.3, effective January 1, 2006, and applicable to applications filed, licenses issued, and licenses continued on or after that date. (1947, c. 923; 1955, c. 905; 1985, c. 572, s. 4; 1989 (Reg. Sess., 1990), c. 1069, s. 10; 1993, c. 452, s. 7; 1993 (Reg. Sess., 1994), c. 678, s. 10; 1995, c. 193, s. 18; c. 507, s. 11A(c); 2001-223, ss. 7.1, 7.2; 2005-424, s. 1.3.)