WEST VIRGINIA CODE: §33-5-8

§33-5-8. Formation of mutuals -- Assets required; temporary capital stock.

No such domestic mutual insurer shall be issued a license until bona fide applications have been received and cash premiums collected in the manner provided in sections six and seven of this article in such sum, which, together with any other funds that may be legally available, will result in the insurer having unencumbered assets over and above all required reserves and other liabilities of at least an amount equal to that required under section five of article three of this chapter for issuance of a license for the kinds of insurance proposed to be transacted. Such other funds may be provided by the issuance of temporary capital stock in an amount which together with such premiums collected will provide the amount necessary under section five of article three of this chapter, the proceeds of said stock to be invested in the manner provided for the investment of other funds of the insurer. In the event such temporary capital stock shall be issued, the amount of premiums required to be collected prior to licensing shall be not less than $10,000. Out of the net surplus of the insurer the holders of such temporary capital stock may receive a dividend of not more than ten per cent per annum, which may be cumulative. The stock shall not be a liability of the insurer, except that it shall be retired as soon as the surplus of the insurer becomes sufficient to pay it at its par value and leave a surplus not less than the amount of the temporary capital so retired.

WV Legislature