

(a) *Guarantee or reinsure, or cause to be guaranteed, assumed, or reinsured, the impaired insurer's covered policies of residents;*

(b) *Provide such monies, pledges, notes, guarantees or other means as are proper to effectuate paragraph (a), and assure payment of the impaired insurer's contractual obligations to residents pending action under paragraph (a); and*

(c) *Loan money to the impaired insurer.*

(3) *If a domestic insurer is an impaired insurer under an order of liquidation or rehabilitation, the Association shall, subject to the approval of the Commissioner,*

(a) *Guarantee, assume, or reinsure, or cause to be guaranteed, assumed or reinsured, the covered policies of the impaired insurer;*

(b) *Assure payment of the contractual obligations of the impaired insurer; and*

(c) *Provide such monies, pledges, notes, guarantees, or other means as are reasonably necessary to discharge such duties.*

*If the Association fails to act within a reasonable period of time, the Commissioner shall have the powers and duties of the Association under this Act with respect to such domestic impaired insurer.*

(4) *If a foreign or alien insurer is an impaired insurer under an order of liquidation, rehabilitation, or conservation, the Association shall, subject to the approval of the Commissioner,*

(a) *Guarantee, assume, or reinsure or cause to be guaranteed, assumed, or reinsured, the covered policies of residents;*

(b) *Assure payment of the contractual obligations of the impaired insurer to residents; and*

(c) *Provide such monies, pledges, notes, guarantees, or other means as are reasonably necessary to discharge such duties.*

*If the Association fails to act within a reasonable period of time, the Commissioner shall have the powers and duties of the Association under this Act with respect to such foreign or alien impaired insurer.*

(5)(a) *In carrying out its duties under subsections (3) and (4), the Association may request that there be imposed policy liens, contract liens, moratoriums on payments, or other similar means and such liens, moratoriums, or similar means may be imposed if the Commissioner,*

(i) *Finds that the amounts which can be assessed under this Act are less than the amounts needed to assure full and prompt performance of the impaired insurer's contractual obligations, or that the economic or financial conditions as they affect member insurers are sufficiently adverse to render the imposition of policy or contract liens, moratoriums, or similar means to be in the public interest; and*

(ii) *Approves the specific policy liens, contract liens, moratoriums, or similar means to be used.*

(b) *Before being obligated under subsections (3) and (4), the Association may request that there be imposed temporary moratoriums or liens on payments of cash values and policy loans, and such temporary moratoriums and liens may be imposed if they are approved by the Commissioner.*