

(1) IF THE COMMISSIONER DETERMINES THAT AN APPOINTED RECEIVER IS NOT ADEQUATELY DISCHARGING THE DUTIES AND RESPONSIBILITIES OF THE POSITION, THE COMMISSIONER MAY FILE WITH THE COURT AN APPLICATION THAT SEEKS TO DISCHARGE THE APPOINTED RECEIVER AND TO APPOINT THE COMMISSIONER AS CONSERVATOR, REHABILITATOR, OR RECEIVER OR TO APPOINT A NEW APPOINTED RECEIVER.

(2) IF THE COMMISSIONER ESTABLISHES BY A PREPONDERANCE OF THE EVIDENCE THAT GROUNDS EXIST FOR DISCHARGE OF AN APPOINTED RECEIVER, THE COURT SHALL GRANT THE APPLICATION OF THE COMMISSIONER TO DISCHARGE THE APPOINTED RECEIVER AND TO APPOINT THE COMMISSIONER AS CONSERVATOR, REHABILITATOR, OR RECEIVER OR TO APPOINT A NEW APPOINTED RECEIVER.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 133(f) and (g).

Throughout this section, the defined term "appointed receiver" is substituted for the former references to an "appointed conservator, rehabilitator, or receiver" for clarity and for brevity.

In the introductory language of subsection (c)(1) of this section, the word "periodic", which formerly modified "report", is deleted in light of the more specific requirement that the report be filed at least quarterly.

In subsection (f) of this section, the phrase "for which there is an appointed receiver" is added to clarify that, in the context of this section, the type of conservatorship to which the Commissioner may be a party is one for which there is an appointed receiver.

In subsection (h)(1) and (2) of this section, the references to a "new appointed receiver" are substituted for the former references to a "substitute appointed conservator, rehabilitator, or receiver, other than the discharged conservator, rehabilitator, or receiver" for clarity and brevity.

Defined terms: "Commissioner" § 1-101

"Insurance business" §§ 1-101 and 9-201

"Insurer" § 1-101

"Person" § 1-101

"Policy" § 1-101

"Receiver" § 9-201

9-214. NOTICE TO POLICYHOLDERS OF DELINQUENCY PROCEEDING.

WITHIN 15 DAYS AFTER APPOINTMENT AS RECEIVER OR CONSERVATOR FOR AN INSURER AGAINST WHICH A DELINQUENCY PROCEEDING HAS BEEN COMMENCED, THE RECEIVER OR CONSERVATOR SHALL NOTIFY EACH POLICYHOLDER OF THE INSURER, BY LETTER OR OTHER MEANS APPROVED BY THE COURT, OF THE COMMENCEMENT OF THE DELINQUENCY PROCEEDING AND OF THE POSSIBILITY THAT THE INSURANCE OF THE POLICYHOLDER MAY BE CANCELED.