

“Secured claim” § 9-201

“Special deposit claim” § 9-201

“Transfer” § 1-101

9-220. ATTACHMENT OR GARNISHMENT OF ASSETS.

(A) IN GENERAL.

DURING PENDENCY OF A DELINQUENCY PROCEEDING IN THIS STATE OR A RECIPROCAL STATE, AN ATTACHMENT, GARNISHMENT, EXECUTION, OR SIMILAR ACTION OR PROCEEDING MAY NOT BE COMMENCED OR MAINTAINED IN A COURT OF THIS STATE AGAINST THE IMPAIRED INSURER OR ITS ASSETS.

(B) VOID AS AGAINST RIGHTS IN DELINQUENCY PROCEEDING.

A LIEN OBTAINED OR AN ACTION OR PROCEEDING PROHIBITED BY SUBSECTION (A) OF THIS SECTION IS VOID AS AGAINST ANY RIGHTS ARISING IN THE DELINQUENCY PROCEEDING, IF THE LIEN WAS OBTAINED OR THE ACTION OR PROCEEDING COMMENCED WITHIN 4 MONTHS BEFORE OR AT ANY TIME AFTER COMMENCEMENT OF A DELINQUENCY PROCEEDING.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 151.

In subsection (a) of this section, the defined term “impaired insurer” is substituted for the former reference to a “delinquent insurer” for clarity and to use the defined terms.

Defined terms: “Delinquency proceeding” § 9-201

“Impaired insurer” § 9-201

“Reciprocal state” § 9-201

9-221. VOIDABLE TRANSFERS.

(A) IN GENERAL.

A TRANSFER OF OR LIEN ON THE PROPERTY OF AN INSURER IS VOIDABLE IF THE TRANSFER OR LIEN IS:

(1) MADE OR CREATED WITHIN 4 MONTHS BEFORE THE ISSUANCE OF A SHOW CAUSE ORDER UNDER THIS SUBTITLE;

(2) MADE OR CREATED WITH THE INTENT TO GIVE A CREDITOR A PREFERENCE OR TO ENABLE THE CREDITOR TO OBTAIN A GREATER PERCENTAGE OF THE DEBT THAN ANOTHER CREDITOR OF THE SAME CLASS; AND

(3) ACCEPTED BY THE CREDITOR HAVING REASONABLE CAUSE TO BELIEVE THAT THE PREFERENCE WILL OCCUR.

(B) PERSONAL LIABILITY.

EACH DIRECTOR, OFFICER, EMPLOYEE, STOCKHOLDER, MEMBER, SUBSCRIBER, AND ANY OTHER PERSON ACTING ON BEHALF OF AN INSURER THAT IS CONCERNED IN A VOIDABLE TRANSFER UNDER SUBSECTION (A) OF THIS SECTION