

"Member insurer" § 9-301

"Net direct written premiums" § 9-301

"Surety bond" § 9-301

9-309. EFFECT OF PAYMENT OF CLAIMS.

(A) IN GENERAL.

(1) A PERSON RECOVERING FROM THE CORPORATION UNDER THIS SUBTITLE IS DEEMED TO HAVE ASSIGNED TO THE CORPORATION THE PERSON'S RIGHTS UNDER THE POLICY TO THE EXTENT OF THE PERSON'S RECOVERY FROM THE CORPORATION.

(2) EACH INSURED OR CLAIMANT SEEKING THE PROTECTION OF THIS SUBTITLE SHALL COOPERATE WITH THE CORPORATION TO THE SAME EXTENT AS THE INSURED OR CLAIMANT WOULD HAVE BEEN REQUIRED TO COOPERATE WITH THE INSOLVENT INSURER.

(3) THE CORPORATION DOES NOT HAVE A CAUSE OF ACTION AGAINST THE INSURED OF THE INSOLVENT INSURER FOR ANY SUM THE CORPORATION HAS PAID OUT EXCEPT FOR A CAUSE OF ACTION THAT THE INSOLVENT INSURER WOULD HAVE HAD IF THE SUM HAD BEEN PAID BY THE INSOLVENT INSURER.

(4) PAYMENT OF A CLAIM OF THE CORPORATION DOES NOT OPERATE TO REDUCE THE LIABILITY OF AN INSURED TO THE RECEIVER, LIQUIDATOR, OR STATUTORY SUCCESSOR FOR AN UNPAID ASSESSMENT OF AN INSOLVENT INSURER OPERATING ON A PLAN WITH ASSESSMENT LIABILITY.

(B) COVERED CLAIMS; EXPENSES.

(1) THE RECEIVER, LIQUIDATOR, OR STATUTORY SUCCESSOR OF AN INSOLVENT INSURER IS BOUND BY THE SETTLEMENT OF A COVERED CLAIM BY THE CORPORATION OR ITS REPRESENTATIVES.

(2) THE COURT HAVING JURISDICTION SHALL GRANT A COVERED CLAIM PRIORITY EQUAL TO THAT TO WHICH THE CLAIMANT WOULD HAVE BEEN ENTITLED IN THE ABSENCE OF THIS SUBTITLE AGAINST THE ASSETS OF THE INSOLVENT INSURER.

(3) THE COURT HAVING JURISDICTION SHALL GRANT THE EXPENSES OF THE CORPORATION OR SIMILAR ORGANIZATION IN HANDLING CLAIMS THE SAME PRIORITY AS THE LIQUIDATOR'S EXPENSES.

(C) STATEMENTS OF CLAIMS.

(1) THE CORPORATION PERIODICALLY SHALL FILE WITH THE RECEIVER OR LIQUIDATOR OF THE INSOLVENT INSURER:

(I) STATEMENTS OF THE COVERED CLAIMS PAID BY THE CORPORATION; AND

(II) ESTIMATES OF ANTICIPATED CLAIMS ON THE CORPORATION.