

INVOLVED TO DISCUSS THE ACTIVITIES OF THE CORPORATION IN CARRYING OUT ITS POWERS AND DUTIES UNDER §§ 9-407 AND 9-408 OF THIS SUBTITLE.

(2) RECORDS OF THE NEGOTIATIONS OR MEETINGS DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION SHALL BE MADE PUBLIC ONLY:

(I) AFTER THE TERMINATION OF A LIQUIDATION, REHABILITATION, OR CONSERVATION PROCEEDING INVOLVING AN IMPAIRED INSURER;

(II) AFTER THE TERMINATION OF THE IMPAIRMENT OF AN INSURER; OR

(III) BY COURT ORDER.

(3) THIS SUBSECTION DOES NOT LIMIT THE DUTY OF THE CORPORATION TO SUBMIT A REPORT OF ITS ACTIVITIES UNDER § 9-415 OF THIS SUBTITLE.

(D) CORPORATION AS CREDITOR OF IMPAIRED INSURER.

(1) IN THIS SUBSECTION, "ASSETS ATTRIBUTABLE TO COVERED POLICIES" MEANS THAT PROPORTION OF THE IMPAIRED INSURER'S ASSETS THAT THE AMOUNT OF THE RESERVES THAT SHOULD HAVE BEEN ESTABLISHED FOR THE COVERED POLICIES BEARS TO THE AMOUNT OF THE RESERVES THAT SHOULD HAVE BEEN ESTABLISHED FOR ALL POLICIES WRITTEN BY THE IMPAIRED INSURER.

(2) FOR THE PURPOSE OF CARRYING OUT ITS OBLIGATIONS UNDER THIS SUBTITLE, THE CORPORATION IS CONSIDERED A CREDITOR OF THE IMPAIRED INSURER TO THE EXTENT OF THE IMPAIRED INSURER'S ASSETS ATTRIBUTABLE TO COVERED POLICIES REDUCED BY ANY AMOUNTS TO WHICH THE CORPORATION IS ENTITLED AS SUBROGEE UNDER § 9-407(I) OF THIS SUBTITLE.

(3) THE ASSETS ATTRIBUTABLE TO COVERED POLICIES OF THE IMPAIRED INSURER SHALL BE USED TO CONTINUE THE COVERED POLICIES AND PAY THE CONTRACTUAL OBLIGATIONS OF THE IMPAIRED INSURER AS REQUIRED BY THIS SUBTITLE.

(E) COURT TO MAKE EQUITABLE DISTRIBUTION.

(1) (I) BEFORE THE TERMINATION OF A LIQUIDATION, REHABILITATION, OR CONSERVATION PROCEEDING, THE COURT MAY CONSIDER THE CONTRIBUTIONS OF THE RESPECTIVE PARTIES, INCLUDING THE CORPORATION, THE STOCKHOLDERS AND POLICY OWNERS OF THE IMPAIRED INSURER, AND ANY OTHER PARTY WITH A BONA FIDE INTEREST, IN MAKING AN EQUITABLE DISTRIBUTION OF THE OWNERSHIP RIGHTS OF THE IMPAIRED INSURER.

(II) IN MAKING A DETERMINATION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE COURT SHALL CONSIDER THE WELFARE OF THE POLICYHOLDERS OF THE CONTINUING OR SUCCESSOR INSURER.