

(2) A DISTRIBUTION TO ANY STOCKHOLDERS OF AN IMPAIRED INSURER MAY NOT BE MADE UNTIL ALL OF THE ASSESSMENTS LEVIED BY THE CORPORATION WITH RESPECT TO THE IMPAIRED INSURER HAVE BEEN FULLY RECOVERED BY THE CORPORATION.

(F) UNFAIR TRADE PRACTICES.

IT IS A PROHIBITED UNFAIR METHOD OF COMPETITION, SUBJECT TO TITLE 27 OF THIS ARTICLE (UNFAIR TRADE PRACTICES), FOR A PERSON TO MAKE USE IN ANY MANNER OF THE PROTECTION AFFORDED BY THIS SUBTITLE IN THE SALE OF INSURANCE.

(G) RECOVERY OF DISTRIBUTIONS.

(1) SUBJECT TO THE LIMITATIONS OF PARAGRAPHS (2) AND (4) OF THIS SUBSECTION, IF AN ORDER FOR LIQUIDATION OR REHABILITATION OF AN INSURER DOMICILED IN THE STATE HAS BEEN ENTERED, THE RECEIVER APPOINTED UNDER THE ORDER SHALL HAVE A RIGHT TO RECOVER ON BEHALF OF THE INSURER, FROM ANY AFFILIATE THAT CONTROLLED THE INSURER, THE AMOUNT OF DISTRIBUTION, OTHER THAN STOCK DIVIDENDS PAID BY THE INSURER ON ITS CAPITAL STOCK, MADE AT ANY TIME DURING THE 5 YEARS PRECEDING THE PETITION FOR LIQUIDATION OR REHABILITATION.

(2) A DIVIDEND DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION IS NOT RECOVERABLE IF THE INSURER SHOWS THAT:

(I) THE DISTRIBUTION WAS LAWFUL AND REASONABLE WHEN PAID; AND

(II) THE INSURER DID NOT KNOW AND COULD NOT REASONABLY HAVE KNOWN THAT THE DISTRIBUTION MIGHT ADVERSELY AFFECT THE ABILITY OF THE INSURER TO FULFILL ITS CONTRACTUAL OBLIGATIONS.

(3) (I) A PERSON THAT WAS AN AFFILIATE THAT CONTROLLED THE INSURER WHEN THE DISTRIBUTIONS DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION WERE PAID IS LIABLE UP TO THE AMOUNT OF DISTRIBUTIONS THE PERSON RECEIVED.

(II) A PERSON THAT WAS AN AFFILIATE THAT CONTROLLED THE INSURER WHEN THE DISTRIBUTIONS DESCRIBED UNDER PARAGRAPH (1) OF THIS SUBSECTION WERE DECLARED, IS LIABLE UP TO THE AMOUNT OF DISTRIBUTIONS THE PERSON WOULD HAVE RECEIVED IF THEY HAD BEEN PAID IMMEDIATELY.

(III) TWO OR MORE PERSONS THAT ARE LIABLE WITH RESPECT TO THE SAME DISTRIBUTIONS ARE JOINTLY AND SEVERALLY LIABLE.

(4) THE MAXIMUM AMOUNT RECOVERABLE UNDER THIS SUBSECTION IS THE AMOUNT NEEDED IN EXCESS OF ALL OTHER AVAILABLE ASSETS OF THE IMPAIRED INSURER TO PAY THE CONTRACTUAL OBLIGATIONS OF THE IMPAIRED INSURER.