

~~(4) If, after a full hearing, the court finds that a violation has occurred under subsection (a) of this section, the court shall pass an order:~~

- ~~(i) enjoining the society from conducting insurance business;~~
- ~~(ii) liquidating the society; or~~
- ~~(iii) appointing the Commissioner as receiver of the society.~~

~~(d) A society enjoined from conducting insurance business under this section may not conduct insurance business until:~~

- ~~(1) the Commissioner finds that the violation has been corrected;~~
- ~~(2) the costs of the action have been paid by the society, if the court finds that the society was in default;~~
- ~~(3) the court has dissolved the injunction; and~~
- ~~(4) the Commissioner has reinstated the society's certificate of authority.~~

~~(e) If a court orders a society to be liquidated:~~

- ~~(1) the society may not conduct any further insurance business; and~~
- ~~(2) the receiver of the society immediately shall:~~
  - ~~(i) take possession of the books, papers, money, and other assets of the society; and~~
  - ~~(ii) close the affairs of the society and distribute its funds to those entitled to the funds under the direction of the court.~~

~~(f) This section also applies to a society that voluntarily determines to discontinue business.~~

~~(G) AN APPLICATION OR PETITION FOR INJUNCTION AGAINST A DOMESTIC, FOREIGN, OR ALIEN SOCIETY, OR A LODGE OF A DOMESTIC, FOREIGN, OR ALIEN SOCIETY, SHALL NOT BE RECOGNIZED IN ANY COURT OF THE STATE UNLESS MADE BY THE ATTORNEY GENERAL ON REQUEST OF THE COMMISSIONER.~~

SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 8-434 of Article - Insurance of the Annotated Code of Maryland be repealed.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect January 1, 1998.

Approved April 29, 1997.