

31A-28-218 Stay of proceedings -- Reopening default judgments.

- (1) Except for specific cases involving covered claims that are subject to waiver by the association, all proceedings in which the insolvent insurer is a party or is obligated to defend a party in any court in this state shall be stayed until the last day fixed by the court for the filing of claims to permit proper defense by the association of all pending causes of action.
- (2) For any covered claim arising from a judgment under any decision, order, verdict, or finding based on the default of the insolvent insurer or its failure to defend an insured, the association either on its own behalf or on behalf of the insured:
 - (a) may apply to have the judgment set aside by the issuing court or administrator; and
 - (b) shall be permitted to defend against the claim on the merits.

Amended by Chapter 363, 2001 General Session