

**31A-27a-302 Powers and duties of the rehabilitator.**

- (1)
  - (a) With court approval, the rehabilitator may take an action the rehabilitator considers necessary or appropriate to reform and revitalize the insurer, including:
    - (i) canceling:
      - (A) a policy;
      - (B) an insurance or reinsurance contract, other than life insurance, health insurance, or an annuity;
      - (C) a surety bond; or
      - (D) a surety undertaking; or
    - (ii) transferring to a solvent assuming insurer:
      - (A) a policy;
      - (B) an insurance or reinsurance contract;
      - (C) a surety bond; or
      - (D) a surety undertaking.
  - (b) The rehabilitator has all the powers of the directors, officers, and managers of the insurer, whose authority is suspended, except as redelegated by the rehabilitator.
  - (c) The rehabilitator has full power to:
    - (i) direct and manage the insurer;
    - (ii) hire and discharge employees; and
    - (iii) deal with the property and business of the insurer.
  - (d) The rehabilitator is not liable as the result of good faith issuance or renewal of a policy while in rehabilitation.
- (2) The rehabilitator may pursue all appropriate legal remedies on behalf of the insurer if it appears to the rehabilitator that there is or has been criminal or tortious conduct, or breach of a contractual or fiduciary obligation detrimental to the insurer by an officer, a manager, an agent, a broker, an employee, an affiliate, or other person.
- (3)
  - (a) The rehabilitator may assert all defenses available to the insurer as against a third person, including statutes of limitations, statutes of frauds, and the defense of usury.
  - (b) A waiver of a defense by the insurer after a petition pursuant to Section 31A-27a-201 or 31A-27a-207 is filed does not bind the rehabilitator.
- (4) The enumeration of the powers and authority of the rehabilitator in this section:
  - (a) may not be construed as a limitation upon the rehabilitator; and
  - (b) does not exclude in any manner the right to do other acts:
    - (i) not specifically enumerated or otherwise provided for; and
    - (ii) as may be necessary or appropriate for the accomplishment of or in aid of the purpose of rehabilitation.

Enacted by Chapter 309, 2007 General Session