

**31A-27a-401 Liquidation orders.**

- (1)
  - (a) An order to liquidate the business of an insurer shall:
    - (i) appoint the commissioner and any successor in office as the liquidator; and
    - (ii) direct the liquidator to:
      - (A) take possession of the property of the insurer; and
      - (B) administer the property subject to this chapter.
  - (b) As of the entry of the final order of liquidation, the liquidator is vested by operation of law with the title to the following, wherever located, of the insurer ordered liquidated:
    - (i) all property;
    - (ii) all contracts;
    - (iii) all rights of action; and
    - (iv) all records.
- (2) Upon issuance of the order of liquidation, the rights and liabilities of the insurer and of its creditors, policyholders, shareholders, members, and all other persons interested in its estate shall become fixed as of the day on which the order of liquidation is entered:
  - (a) except as provided in Sections 31A-27a-402, 31A-27a-403, and 31A-27a-605; and
  - (b) unless otherwise fixed by the liquidation court.
- (3) An order to liquidate the business of an alien insurer in this state shall be in the same terms and have the same legal effect as an order to liquidate a domestic insurer.
- (4)
  - (a) Whenever applicable, a petition for liquidation should include a request for a judicial declaration or finding of insolvency.
  - (b) After providing proper notice and hearing, the receivership court may at any time make the declaration of insolvency.
- (5) If an order of liquidation is set aside upon appeal, the insurer is not released from delinquency proceedings except in accordance with Section 31A-27a-801.

Enacted by Chapter 309, 2007 General Session