§4404. -- seizure under court order

1. Upon filing by the superintendent in any Superior Court of this State of the superintendent's verified petition alleging any ground for a formal delinquency proceeding against an insurer under sections 4351 to 4385 and that the interests of the insurer's policyholders or creditors or the public will be jeopardized by delay, and setting forth the order considered necessary by the superintendent, the court shall, ex parte and without notice or hearing, issue the requested order. The requested order may:

A. Direct the superintendent to take possession and control of all or part of the property, books, accounts and records of the insurer and the premises occupied by it for transaction of its business; and [PL 1969, c. 132, §1 (NEW); PL 1973, c. 585, §12 (AMD).]

B. Until further order of court, enjoin the insurer and its officers, managers, agents and employees from removal, concealment or other disposition of its property, and from transaction of its business, except with the superintendent's written consent. [PL 1969, c. 132, §1 (NEW); PL 1973, c. 585, §12 (AMD).]

[RR 2021, c. 1, Pt. B, §383 (COR).]

2. The court's order shall be for such duration, specified in the order, as the court deems necessary to enable the superintendent to ascertain the insurer's condition. On motion of any party or on its own motion, the court may hold such hearings as it deems desirable after such notice as it deems appropriate, and extend or shorten the duration or modify the terms of the order. The court shall vacate the seizure order if the superintendent fails to commence a formal proceeding under sections 4351 to 4385 after reasonable opportunity to do so; and a seizure order is automatically vacated by issuance of the court's order pursuant to formal delinquency proceedings under such sections of this chapter.

[PL 1969, c. 132, §1 (NEW); PL 1973, c. 585, §12 (AMD).]

3. Entry of a seizure order under this section does not constitute an anticipatory breach of any contract of the insurer.

[PL 1969, c. 132, §1 (NEW).]

SECTION HISTORY

PL 1969, c. 132, §1 (NEW). PL 1973, c. 585, §12 (AMD). RR 2021, c. 1, Pt. B, §383 (COR).

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