

304.33-520 Liquidation of property of foreign or alien insurers found in this state.

- (1) Ground for petition. If no domiciliary receiver has been appointed, the commissioner may apply to the Franklin Circuit Court by petition for an order directing the commissioner to liquidate the assets found in this state of a foreign insurer or an alien insurer not domiciled in this state, on any of the following grounds:
 - (a) Any of the grounds in KRS 304.33-140;
 - (b) Any of the grounds in KRS 304.33-190; and
 - (c) Any of the grounds in KRS 304.33-510.
- (2) Terms of order. If it appears to the court that the best interests of creditors, policyholders and the public so require, the court may issue an order to liquidate in whatever terms it deems appropriate. The filing or recording of the order with any county clerk in this state imparts the same notice as a deed, bill of sale, or other evidence of title duly filed or recorded with that county clerk.
- (3) Conversion to ancillary proceeding. If a domiciliary liquidator is appointed in a reciprocal state while a liquidation is proceeding under this section, the liquidator under this section shall thereafter act as ancillary receiver under KRS 304.33-540. If a domiciliary liquidator is appointed in a nonreciprocal state while a liquidation is proceeding under this section, the liquidator under this section may petition the court for permission to act as ancillary receiver under KRS 304.33-540.
- (4) Federal receivership. On the same grounds as are specified in subsection (1) of this section, the commissioner may petition any appropriate federal District Court to be appointed receiver to liquidate that portion of the insurer's assets and business over which the court will exercise jurisdiction; or any lesser part thereof that the commissioner deems desirable for the protection of the policyholders and creditors in this state. The commissioner may accept appointment as federal receiver if another person files a petition.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 1455, effective July 15, 2010. -- Amended 1978 Ky. Acts ch. 384, sec. 474, effective June 17, 1978. -- Created 1970 Ky. Acts ch. 301, subtit. 33, sec. 52, effective June 18, 1970.