

§ 58-30-170. Reinsurer's liability.

The amount recoverable by the liquidator from reinsurers shall not be reduced as a result of the delinquency proceedings, regardless of any provision in the reinsurance contract or other agreement. Payment made directly to an insured or other creditor does not diminish the reinsurer's obligation to the insurer's estate except;

- (1) Where the contract specifically provides for another payee of the reinsurance in the event of the insolvency of the ceding insurer or
- (2) Where the assuming insurer, with the consent of the direct insured or insureds, has assumed the policy obligations of the ceding insurer as direct obligations of the assuming insurer to the payees under policies and in substitution of the obligations of the ceding insurer to the payees. (1989, c. 452, s. 1.)