

§ 58-30-275. Ancillary formal proceedings.

(a) If a domiciliary liquidator has been appointed for an insurer not domiciled in this State, the Commissioner may file a petition with the Court requesting appointment as ancillary receiver in this State:

- (1) If he finds that there are sufficient assets of the insurer located in this State to justify the appointment of an ancillary receiver;
- (2) If the protection of creditors or policyholders in this State so requires.

(b) The Court may issue an order appointing an ancillary receiver in whatever terms it deems to be appropriate, including provisions for payment of the reasonable and necessary expenses of the proceedings. The filing or recording of the order with a register of deeds in this State imparts the same notice as a deed, bill of sale, or other evidence of title duly filed or recorded with that register of deeds.

(c) When a domiciliary liquidator has been appointed in a reciprocal state, then the ancillary receiver appointed in this State, may, whenever necessary, aid and assist the domiciliary liquidator in recovering assets of the insurer located in this State. The ancillary receiver shall, as soon as practicable, liquidate from their respective securities those special deposit claims and secured claims which are proved and allowed in the ancillary proceedings in this State, and shall pay the necessary expenses of the proceedings. He shall promptly transfer all remaining assets, books, accounts, and records to the domiciliary liquidator. Subject to this section, the ancillary receiver and his deputies shall have the same powers and be subject to the same duties with respect to the administration of assets as a liquidator of an insurer domiciled in this State.

(d) When a domiciliary liquidator has been appointed in this State, ancillary receivers appointed in reciprocal states shall have, as to assets and books, accounts, and other records in their respective states, corresponding rights, duties and powers to those provided in subsection (c) of this section for ancillary receivers appointed in this State. (1989, c. 452, s. 1; 1993 (Reg. Sess., 1994), c. 678, s. 17.)